

**JERSEY SCHOOLS DEVELOPMENT AUTHORITY
BOARD MEETING
WEDNESDAY, JULY 6, 2011 AT 9:00A.M.
ONE WEST STATE STREET, 1 WEST BOARD ROOM, TRENTON, NJ**

AGENDA

- 1. Notice of Public Meeting**
- 2. Roll Call**
- 3. Approval of Meeting Minutes**
 - a. Board Regular Open and Executive Sessions of June 1, 2011
 - b. Board Regular Open Session of June 15, 2011
- 4. Authority Matters**
 - a. CEO Report
 - b. Chairman's Report
- 5. Report and Recommendations of the Audit Committee (Chairman's Report)**
- 6. Report and Recommendations of the School Review Committee (Chairman's Report)**
 - a. Proposed Substantial Changes upon Adoption to Proposed New Rules, N.J.A.C. 19:34B
 - b. Contract Amendments/Change Orders

1. COMPANY NAME:	Prismatic Development Corporation
DISTRICT:	West New York
CONTRACT #:	HU-0006-C02
PMF/CM:	Turner Construction Company
SCHOOL NAME:	Public School No. 3
CHANGE ORDER No.:	137
REASON:	Extension of HVAC Warranties
AMOUNT:	\$151,146.00
CONTRACT STATUS:	98.2% Paid to Date Against the Current Contract Value
REVISED DELIVERY DATE:	January 1, 2012

- c.. Delegation of Authority – (Informational)
 - i. Package No.: EP-0050-C01 RB1 - Union Avenue Middle School - \$1,063,000
 - ii. Package No.: EP-0056-C01 RB1 - Rafael Cordero Molina Elementary School - \$2,498,000
- d. Approval of Procurement
 - i. Jersey City School District - Frank A. Conwell Elementary School #3 and Frank A. Conwell Middle School #4 - Consultant Fee: \$152,200

7. Monthly Reports

- a. For Informational Purposes
 - i. Project Status Report
 - ii. Contracts Executed Report/Amendments & Change Orders Report
 - iii. Contract Termination Report
 - iv. Settlement Activities Report
 - v. Jobs Report
 - vi. Contractor and Workforce Compliance Report
 - vii. Monthly Financial Report (May 2011)
 - viii. Emergent Reserve Balance Summary
 - ix. Notification of Amendments to Goods and Services Contracts Not Exceeding \$250,000
 - x. Communications Progress Report
 - xi. Regular Operating District Grant Activity Report
 - xii. Project Close Out Activity

8. Public Comment

9. Executive Session

- a. Litigation/Contract Matter(s) – OPMA Exemption N.J.S.A. 10:4-12b (7)
- b. CCD Report

10. Adjournment

APPROVAL OF MEETING MINUTES

JUNE 1, 2011, REGULAR SESSION MEETING MINUTES

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS MEETING**

WEDNESDAY, JUNE 1, 2011

A meeting of the Board of Directors of the New Jersey Schools Development Authority (“SDA”, “NJSDA” or “the Authority”) was held on Wednesday, June 1, 2011 at 9:00 A.M. at the offices of the Authority at One West State Street, Trenton, New Jersey.

Participating were:

Edward Walsh, Chairman

Caren Franzini (NJEDA)

Kevin Luckie (NJDCA)

James Petrino (Treasury)

Bernard Piaia (NJDOE)

Michael Capelli

Kevin Egan

Karim Hutson

Lester Lewis-Powder

Michael Maloney

Joseph McNamara

Robert Nixon

Martin Perez

Mario Vargas

being all the Members of the Board. Mr. Capelli, Mr. Piaia, Mr. Hutson, Mr. Egan, Mr. Perez and Mr. Lewis-Powder participated in the meeting by teleconference.

At the Chairman’s request, Marc Larkins, chief executive officer; Jason Ballard, chief of staff; Jane F. Kelly, vice president and assistant secretary; Andrew Yosha, vice

president; Donald Guarriello, vice president and chief financial officer; Albert Barnes, senior counsel; John Dragani, senior counsel; Robert Carney, program director; Carol Petrosino of the Special Projects group, of the SDA; and David Reiner of the Governor's Authorities Unit participated in the meeting.

The meeting was called to order by the Chairman, Mr. Walsh. Mr. Walsh requested that Ms. Kelly read the requisite notice of the meeting. Ms. Kelly announced that the meeting notice had been sent to the *Trenton Times* and *Star-Ledger* at least 48 hours prior to the meeting, and that a meeting notice had been duly posted on the Secretary of State's bulletin board at the State House in Trenton, New Jersey.

Approval of Meeting Minutes

Mr. Walsh then presented the minutes of meetings of the Board held May 4, 2011 for consideration and approval. He noted that presented for Board consideration are the minutes of the Board's May 4, 2011 Open and Executive Session meetings. A copy of each set of minutes and a resolution for Board consideration and approval were provided to the Members for review in advance of the meeting. Upon motion duly made by Mr. Vargas, and seconded by Mr. Nixon, the May 4, 2011 Open and Executive Session meeting minutes were unanimously approved by the Board upon its vote in favor of the resolution attached hereto as ***Exhibit 3a***.

Authority Matters

CEO Report

Mr. Walsh asked Mr. Larkins to present the report of the CEO. Mr. Larkins informed the Members that Preston Pinkett III has submitted a letter resigning from the

Board of Directors. He said that Mr. Pinkett recently left his position with Prudential and is now the Chief Executive Officer of City National Bank in Newark, New Jersey. Mr. Larkins extended his public congratulations to Mr. Pinkett and thanked him for his service on the SDA Board. He added that Governor Christie has nominated Loren Lemelle of Hillsborough, New Jersey to fill the vacant Board seat. Mr. Larkins stated that he will keep the Members posted on Ms. Lomelle's nomination going forward.

Next, Mr. Larkins reported that SDA staff has continued meeting with the SDA districts regarding the advancement of new projects. He said that SDA staff met with Phillipsburg, Keansburg and New Brunswick over the past month in an effort to continue to scope the appropriate projects in order to meet their identified needs. He said that the meeting with New Brunswick was to discuss the Redshaw project, which is included on the 2011 Capital Program Portfolio. Mr. Larkins reported that SDA staff will be heading down to Camden tomorrow to meet with the officials there and discuss their needs, including Lanning Square. Mr. Larkins reported that, in terms of active projects, the Pemberton Early Childhood Center ("PECC") project is close to completion. He said that the PECC project is close to 95% complete and that SDA staff will visit the facility next week.

Next, Mr. Larkins updated the Members regarding the Henry Street project in the Passaic school district. He reported that, at a recent Board meeting, he informed the Members that the SDA was having issues with Dobco, who is the General Contractor ("GC") for the project. He noted that a work stoppage had occurred and, thereafter, Dobco was issued a termination letter. He noted that Dobco had also been terminated

from the Paterson Marshall Street project prior to the issuance of the Henry Street termination letter.

Mr. Larkins reported that SDA staff has spent beneficial time preparing planning schedules for advancing Capital Program projects. He said that the SDA would not be revisiting whether or not the Henry Street project is a project to advance. Mr. Larkins added that because of issues that arose with the design during construction, the SDA would likely have a peer review of the design completed before readvertising for construction award. Ms. Franzini inquired as to whether the project had begun construction. Mr. Larkins said that the project included demolition and construction packages. He said that demolition was completed and that some foundation work had begun. He said that there was a dispute regarding how much foundation work actually had been completed in terms of the percentage of work compared to the contract. He said that some work had been done and a fair amount of steel had been ordered, but had not gone up. Mr. Larkins said that the effort is to salvage what we have and not totally walk away from what has already been invested in the project. He said that the SDA will come back to the Board with a recommendation for the project. He said that SDA staff analyzed the materials and has a sense of what was invested, as well as a game plan for storing the materials.

Next, Mr. Larkins updated the Members regarding the Morgan Village Middle School project in the Camden school district. He reported that, a couple of Board meetings ago, the Members authorized a delegation of authority to the School Review Committee (“SRC”) Chairperson and the CEO to approve the award of a contract to demolish the old Morgan Village building. He said that, since the delegation of approval

was authorized, some environmental issues arose that the SDA thought were completed and the SDA no longer intends to utilize the delegation of authority. He reported that, at this point, the SDA is still on schedule to complete the new construction in order for the school to open in the new school year so that the district can move the students from the old school to the new facility. He said that the SDA is not confident that the demolition of the old school can be completed prior to the beginning of the new school year and that demolition will have to be delayed until next year to ensure that the environmental work has been taken care of. Mr. Larkins said that Management will be coming back to the Committee and Board seeking authority to advertise and award a contract for demolition of the old school. Mr. Walsh inquired as to whether some of the demolition could be done in the summer months versus waiting a year. Mr. Carney replied that environmental testing has to be conducted to determine how much historic or other kind of fill might need to be removed and what type of engineering control should be included for the existing school. He said that demolition could be appropriately coordinated during the school year, given the proximity of the old school building and the program spaces of the new facility.

Next, Mr. Larkins gave an update to the Members regarding the Emergent Projects program. He reported that, on May 24, a letter was distributed to all SDA districts requesting that each district catalog and inventory their emergent requests. He said that the districts were asked to submit their requests to the DOE by June 15. Mr. Larkins explained that, thereafter, the SDA in coordination with the DOE will make outreach to the districts, as needed, to obtain supplemental information and to obtain the initial submissions. Mr. Larkins said that between the end of June and the end of August,

an effort will be made to review the list, make decisions based on the written submission as to whether or not certain projects qualify as emergent projects under the rules, and conduct site visits in order to verify the written submissions and the conditions of each project submitted by the districts. He said that the SDA intends to reach a decision in the first week of September as to how the work will be advanced and packaged. Mr. Larkins gave examples of what he meant by packaging the work, for example, packaging HVAC projects to the extent that there are a number of them. He said that in terms of how the SDA views that effort, certain work can be prioritized and done during the school year. He said that these include such projects as boiler replacements and repairs where schools do not have heat. In continuing, Mr. Larkins said that roof replacements that must be completed in the summer months when the building is unoccupied will be advanced next summer, which will lead to advertising and awarding contracts during the spring of next year. Mr. Walsh asked if there are projects on hold because of this list that the SDA is requesting from the districts. Mr. Larkins replied that there are projects that are advancing this summer and that there are potential new projects currently on hold with DOE because of funding concerns. He said that those projects that are on hold will roll back into the list, but those projects were not going to advance this summer. Mr. Walsh had concerns regarding the emergent projects that are on hold not making the list once merged with the new requests. Mr. Larkins replied that he does not expect this to happen because projects that have been transferred to the SDA that the districts thought would be advanced should actually advance unless there is a project specific reason that they should not advance. Mr. Larkins added that a district could inquire as to why they are being asked to send information that was previously sent to DOE a year ago. Mr. Walsh

commented that once the list has been received by the SDA and is complete, chances are that there will not be enough money for all the projects. Mr. Larkins replied that it is likely that \$100 million will not be enough money to cover the entirety of the list. He said that if the Board and the SDA wanted to dedicate additional money to emergent projects it could, though this would impact the number of replacement schools that could be built. Mr. Larkins noted that if it were decided that the SDA make the emergent projects the priority, then there might not be enough money for the 2011 Capital Plan projects that already have been announced. He said that \$100 million for the emergent program will be a good start, and that the effort will be towards prioritizing the emergent projects. He also stated that the SDA would have to work with the districts to review what projects they could do themselves. Ms. Franzini inquired as to whether or not a webinar can be conducted by SDA and DOE with the districts in order for the districts to hear each other's questions and also for clarification of what is being asked of the districts. Mr. Larkins agreed with Ms. Franzini's suggestion and noted that a conference call could be scheduled at which SDA and DOE staff could make themselves available for districts that want to call in with inquiries. Mr. Larkins said that the call will be scheduled prior to the emergent list submission due date. Mr. Maloney inquired about the recent Supreme Court ruling and asked if any of the \$500 million from that decision is being dedicated to the construction program. Mr. Larkins replied that it is his understanding that the recent Abbott decision has nothing to do with this aspect of the court's prior ruling. He said that it was focused on funding through DOE to the districts. Mr. Maloney asked, if the SDA deems that districts can do some of their own emergent work, whether the money from the decision could be used for emergent work. Mr.

Larkins noted that this is a conversation to be had with DOE as to whether or not DOE would allow the districts to build more money into their budgets for maintenance work or capital maintenance work. Mr. Larkins ended by stating that he cannot answer whether or not any of the \$500 million will go to the districts for emergent work. He said that he suspects that it won't go toward emergent work but rather will go towards filling the gap in the previous year's funding.

In continuing, Mr. Larkins referenced the Memorandum of Understanding ("MOU") Between the New Jersey Motor Vehicle Commission ("NJMVC") and the New Jersey Schools Development Authority ("SDA") that was previously distributed to the Members for review. He explained that under the SDA Operating Authority ("OA"), the Board is required to approve all MOUs. He said that, historically, the SDA performed license verifications for employees that use state vehicles and that these verifications were done using the Lexis Nexis system. He said that Lexis Nexis is a private vendor that charges a fee of \$14 per license verification. Mr. Larkins said that NJMVC has agreed to allow the SDA to access their database for a one-time fee of \$150 annually that would allow the SDA to run as much verification as needed. He said that this arrangement does not include drivers with out of state licenses and that the SDA may have employees with out of state licenses submit certifications that their licenses are current. Ms. Franzini suggested that the Board's action with respect to the MOU be reflected in the minutes as a ratification since the agreement has already been entered into. Mr. Luckie added that the DCA also uses motor vehicle verification and that out of state license verification is also provided. He said that fee is \$5 per employee and that he would send information about this to Mr. Larkins.

A resolution pertaining to the ratification of the Memorandum of Understanding (“MOU”) between the New Jersey Motor Vehicle Commission (“NJMVC”) and the New Jersey Schools Development Authority (“SDA”) had been provided to the Members in advance of the meeting. Following discussion, upon a motion by Mr. Piaia and seconded by Mr. Vargas, and with unanimous consent, the Board ratified the MOU between the NJMVC and the SDA. The resolution approved by the Board is attached hereto as *Exhibit 4ai*.

Lastly, Mr. Larkins reported that the Members last month approved a number of change orders for D & K Construction for the West New York project. He said that there will be a discussion regarding the prior approval later in Executive Session. He noted publicly that, until the SDA and the Members have that conversation, the SDA is not going to take any action regarding those change orders.

Chairman’s Report

Mr. Walsh reported that, over the last couple of months, the Board had discussed scheduling a meeting to include Mr. Larkins, SDA staff and some of the Members regarding the 2011 Capital Program and how the Authority will move forward with the projects. He said that the meeting has not yet been scheduled, but that he is considering scheduling it for June 20 following the Committee meetings. Mr. Walsh advised the Members that he recently met with some architectural firms (“AFs”) and some construction firms (“CFs”) and had discussions regarding issues and comments that they had. He said that not all of the conversations were negative and that there were positive comments. Mr. Walsh noted that in starting fresh with the ten (10) projects on the 2011 Capital Plan, the SDA has the opportunity to figure out what to do moving forward. He

noted that he may invite one or two of the AFs to the meeting. He said that they have good concepts to offer relative to utilization of design/build versus design/bid/build, and other issues. Mr. Walsh asked that after the meeting is held, Mr. Larkins compile a summary of the 10 schools, note where they are on the schedule and how they are to move forward and distribute the summary at the July or August Board meeting. He said that it is at Mr. Larkins' discretion as to whether he would like to provide an update as to the progress of the two schools on the list for construction at the July meeting. Mr. Larkins noted that he and SDA staff have met and reviewed a draft schedule. He said that the other eight (8) projects are a bit difficult because they are at different stages, but he will put together a summary for the Members. He said that the SDA is in a good place regarding information on the two new schools and he will put together as much information as possible for the Members.

Audit Committee Report

Mr. Walsh then asked for the report of the Audit Committee. Mr. Nixon advised the Board that the Audit Committee met on May 16, 2011. He reported that the Committee was provided the April 2011 New Funding Allocation and Capital Plan Update. He noted that Management had reported a balance of \$135.9 million in the Unforeseen Events Reserve and there was no change in the Planning Reserve. He reported a balance of \$13.3 million in the Emergent Projects Reserve and further advised that the status of the reserve balance for the Regular Operating Districts ("RODs") is currently \$60.7 million.

Mr. Nixon then reported that Ernst & Young presented the Committee with an overview of its Management Letter ("Letter"). He reported that the Letter identified no

deficiencies in the Authority's internal controls that would be considered material weaknesses. He said that there was a discussion on two (2) observations in the Letter: 1) that the Authority and its actuary will continue to consider the potential impact of the health care liability act on its GASB 45 actuarial calculation; and 2) that the Authority will consider industry best practices as it develops its in-house audit resources. He added that, in accordance with the Audit Committee Charter, the Committee meets annually with Ernst & Young, without SDA management, to discuss potential issues of mutual concern. He advised the Board that this meeting took place at the conclusion of the May 16 Audit Committee Meeting.

Mr. Nixon then reported that Mr. Ballard provided the Committee with a report regarding the status of the Authority's in-house audit and assessment activity relating to open audit recommendations. He reported that one (1) recommendation has been completed pertaining to the Authority's substitution of sub-consultants. He said that Mr. Ballard also reported on the results of two (2) audits. He said that the first audit pertained to DB Realty II. He advised that the recommendation, agreed to by Management, was that the Facilities Division, working with Chief Counsel and the Controller, meet with the landlord to negotiate the establishment of a maximum amount for fuel savings. He said that the second audit was regarding Matrix East Front Street ("Matrix"). He advised the Members that the Matrix audit addressed charges for additional operating expenses for 2010. He said that Management agreed with a recommendation that the Authority's Controller be the single point of contact with Matrix for establishing a methodology for obtaining a credit for SDA's overpayment of Common Area Maintenance ("CAM") fees.

In continuing, Mr. Nixon noted that the Committee discussed the re-forecasting of the SDA's 2011 budget. He said that the 2011 budget will be re-forecasted in July and that there will be a discussion of the 2012 budget in the fall. Ms. Franzini inquired if the re-forecasted budget would be brought to the Board for a vote. Mr. Nixon deferred to Mr. Walsh who said that the re-forecasted budget would not be brought to the Board, but that it would be used as a foundation for the Audit Committee's discussion in the Fall regarding the 2012 budget.

In conclusion, Mr. Nixon reported on the Monthly Financial report, noting that, as of April 30, 2011, the Authority's operating expenditures were at \$14.3 million which is \$3.1 million lower than budget for the corresponding period in the prior year. He advised that the school facilities project expenditures total \$67 million, which is \$44 million lower than spending for the corresponding prior year period due largely to the decrease in construction work and other project costs.

School Review Committee Report

Change Orders/Amendments/Resolving Change Orders/Amendments

Mr. Walsh asked Ms. Franzini to provide the report of the School Review Committee. Ms. Franzini reported that Mr. Larkins provided an update to the SRC regarding his meeting with the districts to evaluate the school projects. She also reported that there was discussion regarding the emergent projects and that she was pleased to hear that the letters had been distributed to the districts regarding their emergent projects. Ms. Franzini further reported that Mr. Ballard is taking the lead regarding the close out of projects and reporting as to which projects are transferred to the districts.

Next, Ms. Franzini presented an amendment for DMR Architects for the Martin Luther King School No. 6 in the Passaic school district in the amount of \$25,948 for unforeseen conditions related to structural supports for the roof top greenhouse.

A resolution pertaining to an amendment for DMR Architects had been provided to the Members in advance of the meeting. Following discussion, upon a motion by Mr. Luckie and seconded by Mr. Nixon, with Mr. Hutson abstaining, the amendment for DMR Architects was approved by the Board. The resolution approved by the Board is attached hereto as ***Exhibit 6a1***.

Next, Ms. Franzini presented a resolving change order for Chanree Construction Company, Inc. for the Morgan Village Middle School in the Camden school district in the amount of \$533,146. She noted that it is a resolving change order for urban fill removal. She explained that it is a resolving change order because, in the field, a CCD was approved for \$533,146. She said that SDA staff has completely reviewed that request and it is now a change order for Board approval. Mr. Walsh inquired if the CCD was the exact amount of the change order. Mr. Larkins replied that there was a credit that was processed independently for \$74,000 for a total value of \$533,146.

A resolution pertaining to a change order for Chanree Construction Company, Inc. had been provided to the Members in advance of the meeting. Following discussion, upon a motion by Mr. Vargas and seconded by Ms. Franzini, and with unanimous consent, the change order for Chanree Construction Company, Inc. was approved by the Board. The resolution approved by the Board is attached hereto as ***Exhibit 6a2***.

Ms. Franzini then presented an amendment for The Liro Group for the Neptune High School auxiliary gym in the Neptune school district in the amount of \$90,953 for

compensation for additional services. She noted that there was a delay in construction and that SDA staff is reviewing the history because the design contract was held by the district and not the SDA.

A resolution pertaining to the resolving change order for The Liro Group had been provided to the Members in advance of the meeting. Following discussion, upon a motion by Mr. Vargas and seconded by Mr. Piaia, and with unanimous consent, the resolving change order for The Liro Group was approved by the Board. The resolution approved by the Board is attached hereto as ***Exhibit 6a3.***

Next, Ms. Franzini presented a change order for Prismatic Development Corporation for Public School No. 3 in the West New York school district for various change orders in the amount of \$106,078. She noted that this project is one of the atrium school projects. She also noted that there is a cost recovery review being undertaken by SDA staff.

A resolution pertaining to the change order for Prismatic Development Corporation had been provided to the Members in advance of the meeting. Following discussion, upon a motion by Mr. Vargas and seconded by Ms. Franzini, and with unanimous consent, the change order for Prismatic Development Corporation was approved by the Board. The resolution approved by the Board is attached hereto as ***Exhibit 6a4.***

Next, Ms. Franzini reported that the Committee discussed the Communications plan for outreach to and training of Small Business Enterprises. She said that an in house program is under development. She also reported that staff is working with the State

Department of Labor and Workforce Development (“DOL”) to determine the best approach for training minority and women contractors as required by law.

Reports

Mr. Walsh had a question regarding a line item on the Project Status report. He inquired about the first line item for the Morgan Village Middle School in the Camden school district and wanted to know if there was a section regarding project close out. Ms. Franzini noted that this report was also discussed at the SRC meeting. Mr. Larkins stated that the OA requires the SDA to report on the status of projects. He said that, in response to a recommendation made by Ms. Franzini at a previous SRC meeting, SDA staff has segregated the projects and categorized them according to whether they are in construction or substantially complete with the building occupied. He added that the close out date is not set forth in this report. Mr. Yosha added that the status report is intended to alert the Board when the contingency amount remaining on a given project reaches certain levels. He said that the report sets forth the percentage of contingency expended compared with project completion percentage. He advised the Board that the concern is the situation where the contingency has been expended at a greater rate than expected based upon appropriate planning and funding. He said that, in such a case, there might be a need to come back to the Board or to pursue another method for recovery. Mr. Walsh suggested that if a column or two were added to this report, it could reflect the project close out. Mr. Yosha replied that there is a Project Close Out report that addresses Mr. Walsh’s concern. Ms. Franzini suggested that SDA staff collaborate with regard to the Status and Project Close Out reports and compile them into one report. She

further noted that, in the past, there was less focus on closing out the projects and transferring them to the districts, which left those projects the responsibility of the SDA. She said that now the SDA has a unit specifically focused on transferring schools back to the districts. Mr. Larkins referenced the Camden ECDC project located on page 6 of 8 in the Project Close Out report and noted that the report contains more information. He said that SDA staff could drill down more, but each of these projects would have a different issue with respect to what needs to happen to close it out. Ms. Petrosino and Mr. Ballard gave further details regarding the contracts on the Close Out report that have been fully transferred to the districts, but not fully closed out due to litigation or due to non payment. Mr. Vargas asked if the Project Close out report could note the open issues. Mr. Larkins replied that in doing so, the report would lose its summary character because each project may have a different number of open items. He said that it would be voluminous in nature and could no longer serve as a summary report. Mr. Walsh suggested that SDA staff alert the Members of any close out projects that have been transferred back to the districts by way of the report and orally.

Public Comments

The Chairman then announced that the Public Comments portion of the meeting would begin. Following a review of the Public Comment Sign-in Sheet, the Chairman asked Mr. Bill Gates and Mr. Christopher Morante from the Hunt Construction Group to address the Board.

Mr. Morante stated for those who did not know about Hunt Construction (“Hunt”), Hunt has constructed three major schools for the SDA. He noted the schools

and their duration of occupation: Long Branch High School finishing its fourth school season; Science Park High School, finishing its fifth school season and Newark Central High School, finishing its third school season. He stated that Hunt has \$80 million owed to them in change orders and claims that have had no activity. He explained that the reason why he was speaking to the Board was not because Hunt and the SDA could not agree on monies owed but rather that the SDA cannot decide on what the procedure will be for reaching an agreement. He said he was here today to find out what that procedure will be to move forward.

Mr. Larkins responded by stating that he was surprised by Hunt's appearance at this meeting in light of the fact that they had appeared at a prior meeting and since that time the SDA has been engaged in discussions with Hunt's outside counsel to address the outstanding change orders and claims. Mr. Larkins said that, in fact, he himself has met with Hunt's outside counsel. He said that he was not sure if there is an internal disconnect among Hunt's staff and its counsel but, in fact, the SDA has spoken with Hunt about the procedure and all parties seems to be on the same page. He said in terms of the procedure the first step was for SDA to sit down with Hunt's outside counsel and discuss Science Park High School because the SDA had the time and opportunity to package this project in its totality and was ready to move forward. He said that a meeting was scheduled for March or April and Hunt's outside counsel canceled the meeting. He said that the SDA is still waiting for the meeting on the Science Park matter to be rescheduled. He then said that as far as Long Branch and Central are concerned, Hunt submitted claims in a bifurcated fashion, meaning that some claims were presented early while

others were submitted at a later date sometime late summer of 2010. Mr. Larkins said that the SDA contacted Hunt to inform them that, due to the extent of the claims, the SDA would be having them reviewed externally which would take about six (6) to eight (8) months. He then spoke about discussions with Hunt regarding negotiating these claims. He stated that Hunt was in agreement to separate Science Park from Long Branch and Central High Schools. He then expressed his surprise that at a Public Meeting a claim is being made to make it appear that the SDA is not addressing these issues when in fact the opposite is true and in fact there is active negotiation on all of the claims. Mr. Larkins said that neither Mr. Gates nor Mr. Morante has ever reached out to him directly and he would encourage them to do so in the future. Mr. Barnes, SDA senior counsel, elaborated on Mr. Larkins' remarks by stating that of the 180 claims submitted, 174 have been addressed. He further advised that of the 180 claims, 158-- representing 88%-- have been settled or referred for further negotiations at the change order level. Mr. Barnes then discussed a few of the bigger ticket items among the Hunt claims. He said that back up for a claim that was submitted in 2007 was not presented until late 2010. He advised that anything that took Hunt that long to submit to SDA would logically take SDA a significant amount of time to review and analyze. Mr. Larkins emphasized that all of the issues have been fully communicated to Hunt's outside counsel on an ongoing basis. Mr. Dragani, SDA Senior Counsel, stated that Hunt's outside counsel canceled a meeting scheduled for May stating that he would call with a rescheduled date. He said that the SDA is awaiting that call regarding the rescheduling of the Science Park meeting.

Mr. Morante then stated that he was not here to speak about canceled meetings, but rather he would like to know why he cannot get payment application for change orders from September on Central and Long Branch. Mr. Larkins replied that, in fairness, it took Hunt almost three (3) years to get the completed claims to the SDA and that he believes six (6) months is not a lot of time to take for a rebuttal to those claims. Mr. Gates questioned the amount of months it has taken for review stating it was more like seven (7) or eight (8) months. He then asked, if the claims, as Mr. Barnes stated, were referred back to the change order level, why seventeen (17) change orders that have been approved have not been paid to date.

Mr. Larkins explained that, as discussed with Hunt's outside counsel, each school would be dealt with in its totality. Therefore, he stated that those change orders will not be dealt with on an individual basis but as a whole as they relate to the Long Branch or Central High Schools which are awaiting review regarding the existing delay claims. Mr. Larkins stated that if there is a problem with the process that has been agreed upon by SDA and Hunt's outside counsel it can be revisited and discussed. Mr. Larkins stated that it is unfair of Hunt to show up in this forum and try to make it appear that the SDA is not working on these claims. He encouraged the speakers to call him and again stated that, to date, he has never received a call from either of them to his knowledge. Mr. Barnes stated that the right forum to discuss the concerns raised by Mr. Gates and Mr. Morante would be at a meeting between decision makers from the SDA, Hunt and Hunt's outside counsel. Mr. Walsh asked Mr. Morante the date of his last meeting with the SDA. He responded December 2010.

Mr. Morante then stated that, if he is correct, the procedure for Long Branch and Central would be that the SDA review the entire project before any individual change order can be addressed.

Mr. Barnes said that he was correct adding that Hunt's counsel agreed to that process and said that although conversations will continue on individual items, the final resolution will be on the totality of the claim for each school.

Mr. Gates and Mr. Morante thanked the Board for their time.

The Chairman thanked Mr. Gates and Mr. Morante for their comments and asked if there remained additional presenters that wished to address the Members of the Board. Hearing none, Ms. Kelly then advised the Members that, consistent with the Open Public Meetings Act (OPMA), there were three (3) matters that were of such a nature as to require discussion in Executive Session. She said that the Open Public Meetings Act allows the consideration of matters in Executive Session when, among other things, 1) the matter before the Board involves a proposed settlement of a litigation matter; or 2) the matter involves a proposed contractual change. She said that three such matters will be discussed in Executive Session including the issue involving certain change orders which Mr. Larkins more fully described earlier in the meeting. She said that there are negotiations ongoing in this matter. Upon a motion by Mr. Vargas and seconded by Ms. Franzini, the Board unanimously adopted the following resolution and the meeting temporarily adjourned to Executive Session:

WHEREAS, Section 7 of the Open Public Meetings Act, Chapter 231 P.L. 1975 (N.J.S.A 10:4-8), permits the exclusion of the public from a meeting in certain circumstances; and

WHEREAS, this public body is of the opinion that such circumstances presently exist.

NOW THEREFORE, BE IT RESOLVED that:

1. The public shall be excluded from discussion of an action upon the specified subject matters.
2. The general nature of the subject matters to be discussed is as follows:
 - Litigation/Contract Matter(s)
3. It is anticipated that the minutes on the subject matters of the executive session will be made available to the public upon final resolution of agreements on these matters; or conclusion, dismissal or settlement of litigation; and in any event, when appropriate pursuant to N.J.S.A. 10:4-7 and 4-14.
4. The Board may come back into open session and may take further action.
5. This resolution shall take effect immediately.

Thereafter, following adjournment of the Executive Session, the meeting returned to Open Session. Mr. Walsh presented the matter discussed in Executive Session involving Management's recommendation that the Board approve an amendment of the Authority's agreement with Resolution Management Consultants, Inc. ("RMC") for claims consultant services.

A resolution memorializing the recommended approval in this matter had been forwarded to the Members for review and consideration in advance of the meeting. However, the Members agreed that it was appropriate that staff revise any provisions of the resolution as previously presented if necessary to ensure confidentiality with respect to matters involving pending litigation or contract negotiations. Upon a motion by Mr. Vargas and seconded by Mr. Petrino, and with unanimous consent, the Board approved

an amendment to the agreement between SDA and RMC, Inc. for claims consultant services. The resolution approved by the Board is attached hereto as ***Exhibit A2***.

There being no further Authority business, upon motion by Mr. Walsh, and with unanimous consent, the Open Session meeting was adjourned.

Certification: The foregoing represents a true and complete summary of the actions taken by the Board of the New Jersey Schools Development Authority at its June 1, 2011 meeting.

/s/Jane F. Kelly
Assistant Secretary

RESOLUTION—3a.**Approval of Minutes**

WHEREAS, the By-Laws provide that the minutes of actions taken at meetings of the New Jersey Schools Development Authority be approved by the Authority's Board of Directors; and

WHEREAS, pursuant to Section 3(k) of P.L. 2007, Chapter 137, the minutes of the June 1, 2011 Board meetings of the New Jersey Schools Development Authority, for both the Open and Executive Sessions, were forwarded to the Governor on June 9, 2011.

NOW, THEREFORE, BE IT RESOLVED, that the minutes of the New Jersey Schools Development Authority's June 1, 2011 Open and Executive Session meetings are hereby approved.

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor for his approval, unless during such 10 day period, the Governor shall approve same, in which case such action shall become effective upon such approval.

Dated: July 6, 2011

JUNE 1, 2011 EXECUTIVE SESSION MINUTES (In Executive Session tab)

JUNE 15, 2011, REGULAR SESSION MEETING MINUTES

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS MEETING**

WEDNESDAY, JUNE 15, 2011

A teleconference meeting of the Board of Directors of the New Jersey Schools Development Authority (“SDA”, “NJSDA” or “the Authority”) was held on Wednesday, June 15, 2011 at 1:30 P.M. at the offices of the Authority at One West State Street, Trenton, New Jersey.

Participating were:

Edward Walsh, Chairman

Caren Franzini (NJEDA)

Kevin Luckie (NJDCA)

James Petrino (Treasury)

Bernard Piaia (NJDOE)

Karim Hutson

Lester Lewis-Powder

Robert Nixon

Mario Vargas

being a quorum of the Board.

At the Chairman’s request, Marc Larkins, chief executive officer; Jason Ballard, chief of staff; Jane F. Kelly, vice president and assistant secretary; Andrew Yosha, vice president; Donald Guarriello, vice president and chief financial officer; Albert Barnes, senior counsel; and John Rivera, managing director, of the SDA; and Nicole Crifo of the Governor’s Authorities Unit participated in the meeting.

The meeting was called to order by the Chairman, Mr. Walsh. Mr. Walsh requested that Ms. Kelly read the requisite notice of the meeting. Ms. Kelly announced

that the meeting notice had been posted on the Schools Development Authority's Public Website and that a meeting notice had been duly posted on the Secretary of State's bulletin board at the State House in Trenton, New Jersey at least 48 hours prior to the meeting.

Authority Matters

Office of Corporate Governance and Compliance

Amendment – VFA, Inc.

Mr. Walsh asked Mr. Larkins to present the agreement regarding the contract between VFA, Inc. (VFA) and the SDA. Mr. Larkins thanked the Members for their flexibility in making themselves available for the meeting. He referenced the memorandum provided to the Members in advance of the meeting and stated that the meeting was called in order to address an issue related to an internet technology ("IT") system. He reminded the Members that in the fall of 2010 during the budget process, there was an item added to the budget in the amount of \$1.2 million to support an overhaul of the state's Long Range Facility Plan ("LRFP"). He said that it is a database utilized by all of the state's school districts including, but not limited to, the SDA districts. He said that they access the system in order to update their LRFPs as required by state law. He added that it is a database that is used primarily by the Department of Education ("DOE") and noted that Mr. Piaia was available if there were questions regarding the substance of the database. Mr. Larkins said that the database is utilized by the SDA largely for facilities planning work and report generation. He said that the database has been in existence for a few years as set forth in the memorandum. Mr. Larkins said that when the database was originally put in place, the SDA entered into a

term contract with VFA, Inc.. He said that the expectation when entering into the contract was that ultimately towards the end of the contract, there would be additional maintenance or upgrades as needed. He reported that the hardware supporting the system is becoming obsolete, but the SDA has not yet determined the best course to update the system. He said that the SDA is requesting approval for a one-year extension of the agreement. Mr. Larkins stated that plans remain to work with the Office of Information Technology ("OIT") and DOE to decide the best course of action in upgrading and moving forward with the system. He said that those conversations have taken longer than anticipated and the SDA was not able to draft and complete a procurement process before the expiration of the current contract. He said that this was an item that the SDA had considered presenting to the Members at the July meeting but, based on conversations with the Governor's Authorities Unit, there were timing concerns in terms of the SDA executing before the contract expires at the end of June, which is why there was a need for this meeting. Mr. Larkins reiterated that Mr. Piaia was on the telephone from the DOE side if the Members had any questions regarding the data. He added that John Rivera of SDA staff was also available and could answer questions concerning the SDA's negotiation of the contract extension and the expected timeline going forward. He said that in the next six (6) to twelve (12) months a procurement should proceed and establish how the system will move forward. Mr. Walsh inquired as to whether the contract was a monthly contract. Mr. Larkins replied that the contract was an annual extension so that it would be in place for one year. He said that the SDA attempted to negotiate a six (6) month extension which would allow for a procurement process to proceed during that timeframe, but VFA was unwilling to provide one. Mr. Lewis-Powder inquired if the

database was accessed via web base and if the SDA owned the data. Mr. Rivera replied in the affirmative on both counts. He said that the SDA also owns the hardware and software. Ms. Franzini inquired as to whether VFA is the only vendor that can manage the hardware and software to service the database. Mr. Larkins replied that VFA is the only vendor willing to provide both services. He said that part of the SDA's analysis was, if possible, to determine if another vendor could host the system for the SDA. He said that it was possible to find another vendor to host the system but the cost would be exorbitant, and the SDA did not know what fees would be assessed for moving from one vendor to another. Mr. Larkins added that it was problematic finding a vendor that would provide support services, i.e. help desk and system support. Mr. Rivera added that the SDA searched the marketplace and found only two (2) vendors that would perform the hosting of the infrastructure only. He noted that the application support would remain untouched, which would force the SDA to secure it from another source. Ms. Franzini asked if SDA would be seeking outside guidance as to how to best move forward. Mr. Larkins said that, largely for cost control reasons, SDA would be working with the State Office of Information Technology (OIT). In response to inquiries by Mr. Walsh and Mr. Petrino respectively, Mr. Larkins noted that the contract with VFA would be for a full year at a flat rate.

Mr. Luckie asked if SDA would have a new software package available by next year. Mr. Rivera said that this will go one of two ways to be determined going forward—either proceeding with the database as is or proceeding with system development and enhancement and programming work. Ms. Franzini suggested that moving forward, the database should be web-enabled and not use any hardware. She asked that a status report

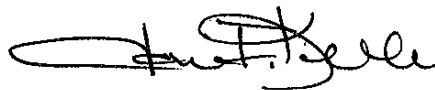
be provided to the School Review Committee in approximately three months. Mr. Larkins agreed that staff will provide progress reports going forward.

A resolution pertaining to the proposed extension of the contract between VFA, Inc. and the SDA in the amount of \$190,000 had been provided to the Members in advance of the meeting. Following discussion, upon a motion by Mr. Vargas, and seconded by Mr. Luckie, and with unanimous consent, the contract amendment to VFA, Inc. was approved by the Board upon its vote in favor of the resolution attached hereto as *Exhibit 3a*.

Public Comments

The Chairman, Mr. Walsh, then announced that the Public Comments portion of the meeting would begin. The Chairman asked if there were any presenters that wished to address the Members of the Board. Hearing none, and there being no further Authority business, upon motion by Mr. Walsh, and with unanimous consent, the Open Session meeting of the Board was adjourned.

Certification: The foregoing represents a true and complete summary of the actions taken by the Board of the New Jersey Schools Development Authority at its June 15, 2011 meeting.



Jane F. Kelly
Assistant Secretary

RESOLUTION—3b.**Approval of Minutes**

WHEREAS, the By-Laws provide that the minutes of actions taken at meeting of the New Jersey Schools Development Authority be approved by the Authority's Board of Directors; and

WHEREAS, pursuant to Section 3(k) of P.L. 2007, Chapter 137, the minutes of the June 15, 2011 Board meeting of the New Jersey Schools Development Authority, for the Open Session, was forwarded to the Governor on June 15, 2011.

NOW, THEREFORE, BE IT RESOLVED, that the minutes of the New Jersey Schools Development Authority's June 15, 2011 Open Session meeting is hereby approved.

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor for his approval, unless during such 10 day period, the Governor shall approve same, in which case such action shall become effective upon such approval.

Dated: July 6, 2011

AUTHORITY MATTERS

CEO REPORT (*ORAL*)

CHAIRMAN'S REPORT (*ORAL*)

REPORT AND RECOMMENDATIONS OF THE AUDIT COMMITTEE (*Oral Report*)

REPORT AND RECOMMENDATIONS OF THE SCHOOL REVIEW COMMITTEE

CHAIRMAN'S REPORT

PROPOSED SUBSTANTIAL CHANGES UPON ADOPTION OF PROPOSED NEW RULES, N.J.A.C. 19:34B



STATE OF NEW JERSEY

SCHOOLS DEVELOPMENT AUTHORITY

1 WEST STATE STREET
P.O. BOX 991
TRENTON, NJ 08625-0991
609-943-5955

MEMORANDUM

6

TO: Members of the Authority

FROM: Jane Kelly, Vice President
Division of Corporate Governance and Compliance

DATE: July 6, 2011

RE: Proposed Substantial Changes upon Adoption to Proposed New Rules, N.J.A.C. 19:34B

Management of the New Jersey Schools Development Authority (“Authority” or “SDA”) is seeking the approval of the Board for the issuance of a Notice of Proposed Substantial Changes upon Adoption for Proposed New Rules with respect to the recently promulgated New Rules for Delegation of School Facilities Projects (the “Rules”), previously approved by the Board on September 1, 2010 and published in the October 18, 2010 edition of the New Jersey Register. The Rules establish requirements, standards and procedures for the Authority’s delegation of school facilities projects to SDA School districts. The proposed substantive changes to the proposed new Rules are in response to public comments received by the Authority as part of the rule promulgation process, and the changes will themselves be subject to a public review and comment period. Once the proposed substantive changes have been promulgated and the public comment period for the proposed changes completed, the Authority will include these substantive changes in the language of the proposed new rules, and will proceed to final adoption of the entire New Rules incorporating the proposed substantive changes.

Background:

On October 18, 2010 the New Jersey Schools Development Authority (“Development Authority,” “Authority” or “SDA”) promulgated new rules to implement Section 13.e of the Educational Facilities Construction and Financing Act, P.L. 2000, c. 72, as amended by section 24 of P.L. 2007, c. 137 (collectively, the “Act”). Section 13.e of the Act provides that the Development Authority shall promulgate rules by which it shall determine the capacity of an SDA school district (“school district” or “SDA district”) to manage a school facilities project or projects after the school district has been found by the Commissioner of Education to be eligible for Authority consideration. The Authority’s promulgation of these rules is a matter of statutory obligation and the subject of current litigation, (Education Law Center v. Department of Education and New Jersey Schools Development Authority).

A sixty-day comment period was provided for the new rules, ending December 17, 2010. Comments were received from the Education Law Center, which had filed suit against the Authority seeking the promulgation of the rules in accordance with statutory mandate; as well as from the Superintendent of Jersey City Public Schools and the Superintendent of the West New York Board of Education.

In response to several of the comments received, the Authority proposes certain substantive changes to the proposed rules, to address concerns raised by the commenters. The proposed changes, and the comments that spurred such changes, are summarized below. Because the Authority proposes to make modifications to the original rule proposal before final adoption, this discussion is limited to those comments which form the basis for proposed changes to the original Rule Proposal.

Proposed Changes to Original Proposal: The Authority proposes changes to the following sections of the original rule proposal. The changes are briefly summarized here, and discussed in more detail in the Authority's response to public comments, included in the attached Notice of Proposed Substantive Changes upon Adoption for the Proposed New Rules.

N.J.A.C. 19: 34B-1.5: Changes are proposed to clarify the process for notices of noncompliance or default, and to give specific notice periods for various remedies.

N.J.A.C. 19:34B-2.3 and -2.4: Changes are proposed to clarify that that all training programs developed by the Authority pursuant to N.J.S.A. 18A:7G-13(e) shall be developed in consultation with the Department of Education.

N.J.A.C. 19: 34B-2.5: Changes are proposed to provide for formal hearings that may be referred to the Office of Administrative Law, as appropriate for contested cases, under the Administrative Procedure Act (APA), N.J.S.A. 52:14B-1 et seq.

N.J.A.C. 19:34B-3.3 and -3.4: Changes are proposed to clarify the nature of the approvals required for a delegation of a project, and to reflect the possibility that, in light of the need for such approvals, a district seeking to manage a delegated project may be required to request an extension of the 60-day statutory period for contract award under the Public School Contracts Law, N.J.S.A. 18A:18A-36.

N.J.A.C. 19:34B-6.5 and -6.6: Changes are proposed to reflect that the Authority's provision of the services of a Licensed Site Remediation Professional ends with the completion of construction and deed transfer to the district, if the school facility is constructed on a site owned by the Authority, or completion of construction and occupancy by the district, if the school site is already owned by the district, and that at that point, the district is responsible to engage its own Licensed Site Remediation Professional for the fulfillment of any long-term stewardship obligations required as part of the remediation of the Project Site.

Adverse Comments and Analysis of Proposed Changes to Original Proposal: The Authority received written comments from the individuals listed below on the provisions proposed for substantial changes, on or before the close of the 60-day public comment period, which ended December 17, 2010:

1. David Sciarra, Esq., and Elizabeth Athos, Esq., Education Law Center, Newark, New Jersey;
2. John N. Fauta, Superintendent, West New York Board of Education; and
3. Charles T. Epps, Jr. Ed. D., Superintendent, Jersey City Public Schools.

A summary of the comments that triggered the proposed changes, and the Authority's responses thereto are included in the Notice of Proposed Substantive Changes upon Adoption for the Proposed New Rules.

Additional Comments Received In Public Comment Period

The Board should be aware that the Authority received additional comments from the above-named commenters, but the Authority will not be proposing changes in response to those comments. Those comments and the Authority's responses thereto will be formally presented to the Board as part of the

approval process for final adoption of the new rules. For the Board's information, the following is a summary of the other comments received:

1. All three commenters noted that the Authority's rule proposal does not address delegation by the Authority of design and development or land acquisition phases to Districts, and limits the delegable portions of a school facilities project to construction administration, construction and/or demolition. They questioned why the design, development and land acquisition functions were not addressed by the Rules, and one commenter asked whether the Rules would later be expanded to include the design, development and land acquisition functions as delegable portions of projects.
2. A commenter queried why SDA districts would not be permitted to manage all portions of a school facilities project under the same requirements that apply to Regular Operating Districts if they are found to have the appropriate capacity.
3. A commenter asserted that the limitation of delegable portions of school facilities projects to construction, construction administration and demolition is in violation of the Educational Facilities Construction and Financing Act, N.J.S.A. 18A-7G-13(e)(2).
4. A commenter asserted that if the Authority retains control over portions of the project, while delegating others, issues created in portions of the project under Authority management could affect the portions of the project under district management and cause subsequent change orders through no fault of the district's management.
5. Two commenters questioned the proposed section N.J.A.C. 19:34B-1.7, which permits termination of the grant agreement if the Authority determines that such termination is in "the best interests of the school facilities project," asserting that the section is vague in that the "best interests" standard is not defined, is arbitrary and exceeds the scope of the Authority's statutory authority, and is excessive in light of the other categories of noncompliance that give rise to a right to terminate.
6. A commenter requested that the Authority make available for review the form of the application referenced in N.J.A.C. 19:34B-2.3(a), for determining district capacity to manage a school facilities project.
7. A commenter requested that the process by which NJDOE will determine the district's eligibility for consideration by the Authority be outlined and defined by reasonable timelines for expeditious action.
8. Two commenters objected to the two-step process proposed by the Authority for determination of district capacity to manage school facilities projects generally, and then for determination of capacity for a particular project. One commenter asserted that the two-step process exceeds the statutory authority granted to the Authority.
9. A commenter requested that the "evaluation criteria documents" for district capacity assessment be made available for review along with the rule proposal.
10. Two commenters insisted that the regulations should provide timelines for the Authority's determinations of district capacity under N.J.A.C. 19:34B-2.3, and project eligibility under N.J.A.C. 19:34B-2.4, and one commenter suggested that a thirty-day time period is appropriate for such determinations.

11. A commenter inquired whether capital maintenance projects and emergent projects would continue to be determined by the provisions of Section 13A.
12. A commenter questioned which items comprising the bid documents to be utilized under N.J.A.C. 19:34B-3.3 and N.J.A.C. 19:34B-3.4 (including contracts, proposal and other forms and certifications) are to be developed by the District, and which items are to be based on standard Authority contracts or forms.
13. A commenter asked whether the Authority would be developing a different contract than the one it currently uses for design consultants, and if so, asked when that contract would be made available for comments.
14. A commenter asked, in the case of a district that has engaged a district architect, whether such district architect can be engaged for a delegated school facilities project without the need for procuring a new architect through the Authority.
15. A commenter asked whether the language of N.J.A.C. 19:34B-4.2(c), providing that “all liabilities, duties and obligations of the Authority shall be assigned to the school district” acts to prohibit the inclusion of an indemnification provision providing for indemnification of the district by the Authority.
16. A commenter asserted that the proposed N.J.A.C. 19:34B-5.2 governing adjustments to the grant, should specify timelines for Authority review and approval, in order to minimize delays during the construction of projects.
17. A commenter asserted that the provisions of N.J.A.C. 19:34B-6.1, which describe “general requirements for district procurements” force districts in their management responsibilities to act as “proxies of the SDA rather than as autonomous agents”, and questioned whether the additional requirements of the section are necessary in light of the provisions of the Public School Procurement Law and other regulations that control procurement in Regular Operating Districts.
18. A commenter questioned whether a district could use its own standard form of construction manager agreement with certain SDA-required provisions included, instead of using the Authority’s form of construction manager agreement as required under proposed N.J.A.C. 19:34B-6.4.
19. A commenter asked whether a district would be able to recover through the SDA grant the costs of employing a Construction Manager/Clerk of the Works with the proper experience to manage the project, or whether the construction manager would have to be an SDA-approved construction manager retained as a consultant.
20. A commenter asked whether a district could submit construction plans to their own building department or would the Division of Community Affairs have jurisdiction.

As previously noted, Authority management does not anticipate any changes in response to the above comments. Proposed responses to the above comments will be submitted to the Board as part of the final adoption notice approval process.

Requested Board Action

The Members of the Authority are requested to approve the proposed substantive changes to the proposed New Rules, as well as the issuance of the attached Notice of Proposed Substantive Changes upon Adoption to the proposed New Rules, and the filing of the Notice with the Office of Administrative Law.

/s/Jane F. Kelly

Jane F. Kelly, Vice President
Corporate Governance & Compliance

Prepared by Cecelia Haney, Senior Counsel

JFK/ceh

OTHER AGENCIES

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY

Notice of Proposed Substantial Changes Upon Adoption to Proposed New Rules

Section 13.e Delegation of School Facilities Projects

Proposed New Rules: N.J.A.C. 19:34B

Proposed: October 18, 2010 at 42 N.J.R. 2380(a).

Authorized By: New Jersey Schools Development Authority, Marc Larkins, Chief
Executive Officer.

Authority: P.L. 2007, c.137, § 4k (N.J.S.A. 52:18A-238.k).

Submit written comments by _____ 2011 to:

Cecelia Haney, Administrative Practice Officer

New Jersey Schools Development Authority

PO Box 991

Trenton, NJ 08625-0991

Take notice that on October 18, 2010 the New Jersey Schools Development Authority (“Development Authority,” “Authority” or “SDA”) proposed new rules to implement Section 13.e of the Educational Facilities Construction and Financing Act, P.L. 2000, c. 72, as amended by section 24 of P.L. 2007, c. 137 (collectively, the “Act”). Section 13.e of the Act provides that the Development Authority shall promulgate rules by which it shall determine the capacity of an SDA school district (“school district” or

“SDA district”) to manage a school facilities project or projects after the school district has been found by the Commissioner of Education to be eligible for Authority consideration.

The Authority proposes several substantial changes to the language of the new rules as originally proposed, based on comments received from the public during the 60-day comment period for the proposed rules. A Summary of Public Comments and Agency Responses is provided below, which is limited to comments and responses on the provisions proposed for substantial changes. That Summary describes the proposed changes and documents the rationale for them, and the proposed changes upon adoption are identified below in the text of the new rules. This notice of proposed substantial changes is published pursuant to N.J.S.A. 52:14B-4.10.

Summary of Public Comments and Agency Responses:

The Authority received written comments from the individuals listed below on the provisions proposed for substantial changes, on or before the close of the 60-day public comment period, which ended December 17, 2010:

1. David Sciarra, Esq., and Elizabeth Athos, Esq., Education Law Center, Newark, New Jersey;
2. John N. Fauta, Superintendent, West New York Board of Education; and
3. Charles T. Epps, Jr. Ed. D., Superintendent, Jersey City Public Schools.

A summary of the comments and the Authority’s responses follows with respect to those provisions for which substantial changes are proposed. The number(s) in parentheses after each comment identifies the respective commenter(s) listed above.

Subchapter 1. General Provisions

1. COMMENT: The commenter urged that for the enumerated remedies exercisable by the Authority under proposed N.J.A.C. 19:34B-1.5 for noncompliance or default (suspension or termination of the grant agreement, or withholding of grant disbursements or other remedies), the Authority should provide a defined timeline for exercise of such remedies, so as to allow the district time to effect potential cure of the causes triggering the remedies. The commenter further urged that the Authority provide two notices of any such action, and suggested a period of 60 or 90 days of notice before exercising any such remedies. The commenter also asserted that “noncompliance” was not defined in the rules. (2)

RESPONSE: With respect to the definition of “noncompliance,” the Authority notes that N.J.A.C. 19:34B-1.4 describes “noncompliance with this chapter” as any of the enumerated events of default contained therein, or any failure of the school district to comply with the Act, the proposed Chapter 34B, or any “law, regulation, or rule applicable to the grant agreement.” The Authority further notes that the proposed rules provide for a two-notice process for termination, suspension, or withholding of grant disbursements, in that the initial notice of noncompliance is followed by a subsequent notice of the remedy elected by the Authority.

With respect to the notice process, the Authority recognizes that the process could be made clearer, and agrees that inclusion of a specified notice period and defined timetable for exercise of the cited remedies is appropriate; however, the Authority does not agree

that the 60- to 90-day notice periods suggested are appropriate. The Authority proposes changes to the language of proposed N.J.A.C. 19: 34B-1.5(a)1, 2 and 3 that will clarify the process by which an initial notice of noncompliance will issue with a 30-day minimum notice period for correction of the noncompliance, which period may be extended upon request to the Authority, and if corrective action is not taken or is not effective within the notice period, or any extension thereof, the Authority will issue a subsequent notice of the remedy it elects to undertake, which will provide for an additional 15 days' notice (in the case of grant disbursement withholding) or 30 days' notice (in the case of suspension or termination of the grant agreement) before such actions can take effect. In addition, the Authority proposes to modify the language of this section to indicate that all notices of remedy under N.J.A.C. 19:34B-1.5 (a)(2) through (5), whether for termination, suspension or withholding of grant funds, will indicate the Authority's decision to undertake the remedy and the reasons for the action, as well as the effective date of the action. This generalized notice language will replace language formerly proposed as N.J.A.C. 19:34B-1.5 (a)4i to provide specific notice information for termination notices. These changes are substantial in nature and may warrant additional notice and public comment, and thus the Authority is promulgating this notice of substantial changes upon adoption in accordance with N.J.S.A. 52:14B-10.

Subchapter 2. School District Capacity Determination

2. COMMENT: The commenter objects that the regulatory provisions regarding statutorily-mandated training at N.J.A.C. 19:34B-2.3(a)3 and 2.4(d)5 fail to implement the language and intent of the statute, in that they fail to indicate that the training

programs be developed “in consultation with the commissioner” of the Department of Education, and because the proposed rules indicate that such training will be made available to districts that have been determined to lack the capacity to manage the delegable aspects of school facilities projects. (1)

RESPONSE: The Authority appreciates the commenter’s concern and has determined that amendment of the proposed regulations at N.J.A.C. 19:34B-2.3(a)3 and 2.4(d)5 is warranted to clarify that all training programs developed by the Authority pursuant to N.J.S.A. 18A:7G-13(e) shall be developed in consultation with the Department of Education. These clarifying changes are substantial in nature and may warrant additional notice and public comment, and thus the Authority is promulgating this notice of substantial changes upon adoption in accordance with N.J.S.A. 52:14B-10.

With respect to the second portion of the comment, the Authority notes that its regulations validly implement the statutory language, which only requires that the Authority offer training to those districts “deemed to lack the capacity to manage a school facility project or projects. No further changes will be made to the proposal in response to this comment.

3. COMMENT: A commenter objected that the proposed regulations afford inadequate independent review and dispute resolution in the event of district disagreement with Authority determinations. The commenter asserted that all critical determinations of the Authority under the proposed regulations should be subject to

appeal. The commenter further asserted that in all appeals from determinations that constitute contested cases under the Administrative Procedure Act (“APA”), N.J.S.A. 52:14B-1 et seq., districts must be afforded an opportunity for a hearing before an independent administrative law judge at the Office of Administrative Law. (1)

4. COMMENT: The commenter questioned, in connection with Authority determinations under the regulations regarding termination of a grant agreement under N.J.A.C. 19:34B-1.7, and requests for waivers or releases under N.J.A.C. 19:34B-1.8, whether such determinations represent appealable final agency actions, or whether administrative appeals from such determinations are permitted by the proposed rules. (3)

RESPONSE TO COMMENTS 3 and 4: The Authority appreciates the commenters’ concerns, and agrees that clarification of the process for appeals from Authority determinations under these regulations is warranted. To that end, the Authority has determined to amend the language of the proposed rules at N.J.A.C. 19:34B-2.5 to provide for both informal administrative hearings for challenges to Authority determinations and formal hearings that may be referred to the Office of Administrative Law, as appropriate for contested cases, under the APA. These changes are substantial in nature and may warrant additional notice and public comment, and thus the Authority is promulgating this notice of substantial changes upon adoption in accordance with N.J.S.A. 52:14B-10.

5. COMMENT: The commenter asserts that a maximum time frame should be established for all approvals that must be granted by the authority pursuant to N.J.A.C. 19:34B-3.3 and N.J.A.C. 19:34B-3.4 in order to authorize the district to proceed with engagement of a contractor for demolition or construction services. (2)

6. COMMENT: The commenter asserts that the proposed rule as drafted does not provide timelines for the various determinations of the Authority, the Authority Board, and the DOE under N.J.A.C. 19:34B-3.3 and N.J.A.C. 19:34B-3.4 to ensure that it is possible to complete the necessary approvals within what the commenter describes as the “60-day period during which public bidders are barred from modifying, withdrawing or canceling their bids.” (3)

RESPONSE TO COMMENTS 5 and 6: With respect to the sixty-day time period described in Comment 6, the Authority interprets that to be a reference to N.J.S.A. 18A:18A-36, which prescribes a sixty-day period during which a district must award a contract or reject all bids, unless, for those bidders who consent to an extension, the district requests additional time for consideration of bids before expiration of the original period. While the Authority will endeavor to complete all necessary reviews and secure all necessary approvals within the sixty-day time frame, districts should be aware that these reviews and approvals may not be completed within that sixty day period, and thus any bid solicitation for a contract on a delegated project should advise bidders that an extension of the statutory period is contemplated as possible.

The Authority proposes substantive changes to N.J.A.C. 19:34B-3.3 and -3.4 upon adoption to clarify the nature of the approvals required, and to reflect the possibility that the district will be required to request an extension of the 60-day period for contract award under N.J.S.A. 18A:18A-36. These changes include the addition of language to N.J.A.C. 19:34B-3.3 (b) to indicate that the creation of a project charter may be required as a part of the approval process, and to clarify that if bids received by a district for demolition work require a revision of the Current Working Estimate (CWE), then the grant amount may also require modification. Further changes include addition of language at N.J.A.C. 19:34B-3.3 (c) to reflect the need to submit any proposed charter or charter revision to the Board of the Authority, and to indicate that the Authority will endeavor to complete its reviews and approvals and issue a notice to proceed to the district within sixty days, but that if additional time is needed, the Authority will advise the district within the sixty-day period so that the district may request that bidders agree to an extension of the time for consideration of bids.

Additional changes are proposed to N.J.A.C. 19:34B-3.4 (a) to reflect that, because of the nature and complexity of approvals required for delegation of projects, district should include in their bid packages a notice to bidders that an extension of time for the consideration of bids under N.J.S.A. 18A:18A-36 may be required. Additional language is proposed for N.J.A.C. 19:34B-3.4 (e) to reiterate that the Authority will endeavor to complete its reviews and approvals and issue a notice to proceed to the district within sixty days, but that if additional time is needed the Authority will advise the district within the sixty-day period so that the district may request that bidders agree to an extension of the time for consideration of bids. These changes may warrant additional

notice and public comment, and thus the Authority is promulgating this notice of substantial changes upon adoption in accordance with N.J.S.A. 52:14B-10.

7. COMMENT: The commenter questions which items comprising the bid documents to be utilized under N.J.A.C. 19:34B-3.3 and N.J.A.C. 19:34B-3.4 (including contracts, proposal and other forms and certifications) are to be developed by the District, and which items are to be based on standard Authority contracts or forms. (3)

RESPONSE: The Authority appreciates the commenter's request, but will not develop the template for bid documents until the regulatory framework for the process has been finalized and adopted. No changes to the proposal will be made in response to this comment.

8. COMMENT: The commenter asserts that under the proposed N.J.A.C. 19:34B-6.5, and N.J.A.C. 19:34B-6.6 governing remediation services as part of a construction contract, and as part of a demolition contract, respectively, the Licensed Site Remediation Professional retained by the Authority would supervise all remediation work performed by contractors managed by the district, but the district is responsible for all permits, reporting and compliance. The commenter expressed concern that in order to be responsible for all such permits, reporting and compliance, the district would need to retain its own Site Remediation Professional to perform the reporting, monitoring, certification and tracking tasks for which the district is responsible, suggesting a duplication of effort by the district and Authority.

RESPONSE: The Authority appreciates the commenter's concerns, but responds that it is anticipated that the Licensed Site Remediation Professional retained by the Authority would provide reporting, monitoring, certification and tracking services to the district during the construction or demolition period in connection with any remediation work performed by the district. However, should the remediation of the Project Site involve the imposition of long term stewardship obligations on the owner during occupancy of the school facility after construction, then the district, as owner of the property, would be responsible for retaining its own Licensed Site Remediation Professional to fulfill any sampling, reporting or other requirements of such long term stewardship obligations imposed on an owner of property. The Authority proposes substantial changes to N.J.A.C. 19:34B-6.5 and 6.6 to reflect that the Authority's provision of the services of a Licensed Site Remediation Professional ends with the completion of construction and deed transfer to the district, if the school facility is constructed on a site owned by the Authority, or completion of construction and occupancy by the district, if the school site is already owned by the district, and that at that point, the district is responsible to engage its own Licensed Site Remediation Professional for the fulfillment of any long-term stewardship obligations required as part of the remediation of the Project Site. These changes may warrant additional notice and public comment, and thus the Authority is promulgating this notice of substantial changes upon adoption in accordance with N.J.S.A. 52:14B-10.

Effect of Proposed Changes on Impact Statements Included in Original Proposal

The changes to the rule proposal that are contemplated upon adoption of the new rules will not affect the impact statements or analyses included in the original rule proposal. The changes provide clarification of the delegation process, provide for additional avenues for administrative appeal, and provide standards for notices under the promulgated proposed regulations. None of these changes will have social, economic, jobs, agricultural, housing or smart growth impacts beyond those effects of the original proposed rules.

Full text of the proposed substantial changes to the proposed new rules follows (additions to proposal indicated in boldface with asterisks ***thus***; deletions from proposal indicated in brackets with asterisks *[thus]*):

19:34B-1.5 Remedies for events of default and noncompliance

(a) In addition to any other remedies as may be provided by law or by the grant agreement, in the event of noncompliance with any provisions of the Act, any condition of the grant agreement, *[an event of default,]* or any requirement of this chapter, or upon the occurrence of an event of default, the Authority, after taking the action in (a)1 below, may take any of the actions or combinations thereof set forth in (a)2 through 5 below:

1. Issue a notice of noncompliance in writing to the school district stating ***the nature of the noncompliance or default, and further stating*** that

2. Withhold ***grant disbursements or any portion thereof***, upon ***fifteen (15) days*** written notice to the school district ***providing the reason(s) for the withholding*** ***[, grant disbursements or any portion thereof]*;**
3. Suspend ***[, upon written notice to the school district,]*** the grant agreement and withhold further payments thereunder and prohibit the school district from incurring additional obligations of grant funds pending corrective action by the school district ***upon thirty (30) days written notice to the school district***;
4. Terminate^{*}***[, upon written notice to the Department and the SDA school district,]*** the grant agreement and/or rescind the grant monies ***upon thirty (30) days written notice to the Department and the SDA school district.**

^{*}[i. The Authority shall promptly notify the Department and the school district, in writing, of its determination to terminate the grant agreement

and the reasons for the termination, together with the date on which the termination shall take effect.]*

[ii.] Upon termination of the grant agreement, the Authority may demand that an amount equal to the grant received by the school district be immediately returned to the Authority and the school district shall waive payment by the Authority of the undistributed balance, and upon notice to the school district, the amount of the grant disbursed by the Authority shall be immediately due and payable by the school district together with any costs to the Authority resulting from an event of default by the district; *[and/or]*

5. In addition to any withholding, suspension or termination action, the Authority retains the right to pursue any and all other remedies as may be available under State law as warranted*; **and**
6. **The notice provided to the school district under N.J.A.C. 19:34B-1.5(a)(2) through (a)(5) shall notify the school district of the Authority's determination to exercise its right to take such action, and shall provide the reasons for such action, together with the date on which the selected action shall take effect.***

(b) – (c) (No change from proposal.)

19:34B-2.3 Evaluation of district capacity

(a) The Authority's district assessment committee shall evaluate the school district's application to determine whether the school district possesses the ability to manage school facilities projects.

1. - 2. (No change from proposal).

3. If the district assessment committee determines that the school district does not have the necessary capacity to manage the delegable portions of school facilities projects, the application shall be denied, and the school district will be promptly notified in writing of the reasons for the denial. The Authority shall thereafter*, **in conjunction with the Commissioner**,* devise and offer a proposed training program if the reason for the denial is of the type that can be remedied with training. Such training program shall be designed to provide the district with technical assistance intended to address any identified deficiencies and/or increase the district's capacity to manage school facilities projects. The proposed training program may include, but is not limited to, training in the following areas:

- i. Financial, accounting, and budgeting;
- ii. Planning;
- iii. Procurement and/or prequalification;
- iv. Evaluation of architectural plans;
- v. Construction management;
- vi. Documentation of best practices; and/or
- vii. Governance and compliance.

4. (No change from proposal).

(b) – (e) No change from proposal.

19:34B-2.4 Evaluation of district eligibility for project delegation

(a) – (c) (No change from proposal).

(d) The Authority's project assessment committee shall evaluate a school district's application to determine whether the school district possesses the ability to manage the delegable portions of a particular school facilities project.

1. - 2. (No change from proposal.)

3. If the project assessment committee determines that an SDA school district lacks the capacity to manage the delegable portions of a particular school facilities project, the district's application shall be denied, and the Authority will promptly notify the school district in writing of the reasons for its denial. The Authority will thereafter *, **in conjunction with the Commissioner,*** devise and offer the SDA school district a proposed training program, if the reason for the denial is of the type that can be remedied with training. Such training program shall be designed to provide the district with technical assistance intended to address any identified deficiencies and/or increase the district's capacity to manage facilities projects of the type for which it sought delegation, but was denied. The proposed training program may include, but is not limited to, training in the following areas:

- i. Financial, accounting, and budgeting;
- ii. Planning;

- iii. Procurement and/or prequalification;
- iv. Evaluation of architectural plans;
- v. Construction management;
- vi. Documentation of best practices; and/or
- vii. Governance and compliance.

4. (No change from proposal.)

19:34B-2.5 Requests for reconsideration and appeal

(a) Requests for reconsideration arising from decisions of the Authority pursuant to N.J.A.C. 19:34B-2.3 and 2.4 ***and any other determination of the Authority under this Chapter 19:34B***, shall be made in writing within 30 days of the receipt of the Authority's decision, and an opportunity shall be given for an informal hearing on the papers, in person or via telephone with an Authority hearing officer or panel designated to review the matter. The determination of the Authority, based on the recommendation of the hearing officer or panel, shall be presented in a written decision ***within thirty (30) calendar days of the conclusion of the hearing unless, due to the circumstances of the hearing, a longer time is required.**

1. **Informal hearings will be held, where feasible, within 14 business days of the receipt of the request.**
2. **Hearings will be heard, where practicable, by a hearing officer designated by the Chief Executive Officer, or his or her designee.**

3. In an informal hearing, the Authority may, in instances where public exigency exists, modify or amend the time frames or any other requirements provided in this section. In these instances, the Authority shall document, for the record, the rationale for such amendment and give adequate notice to the parties involved.

(b) *In the event of an adverse decision after an informal hearing under (a) above, or if a district determines not to seek an informal hearing, and providing further, that the dispute or controversy is a contested case, as defined in N.J.S.A. 52:14B-2(b), a district may request a formal hearing, within sixty (60) days of the written decision resulting from the informal hearing or within ninety (90) days of the determination of the Authority if an informal hearing is not sought.

(c) Upon filing of the initial pleading in a contested case, the Board of the Authority may by resolution either retain the matter for hearing directly or transmit the matter for hearing before the Office of Administrative Law. Such hearings shall be governed by the provisions of the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq. and 52:14F-1 et seq., and the Uniform Administrative Procedure Rules, N.J.A.C. 1:1.

(d)* Every determination by the Authority of a dispute or controversy arising from this chapter, constituting final agency action by the Board, shall be embodied in a written decision which shall set forth findings of fact and conclusions of law.

19:34B-3.3 Authority execution of grant agreement for delegated demolition activities

(a) Upon the Authority's written approval of the bid specifications for demolition services for the school facilities project, which shall be drafted for procurement as a single overall contract (not multi-prime) under paragraph 2 of N.J.S.A. 18A:18A-18(b) of the PSCL, and upon the Authority's approval of the CWE for such demolition services, the Authority shall give the school district written authorization to seek bid proposals for demolition services in accordance with the PSCL. The school district shall include in its bid documents the statement that its ability to enter into a contract shall be contingent upon the receipt of an executed grant agreement from the Authority, ***and a statement that an extension of the time period for consideration of bids under N.J.S.A. 18A:18A-36 may be required,*** and shall include in the demolition services contract all of the requirements of N.J.A.C. 19:34B-6.3, as indicated. Once the bid proposals for the demolition services contract are received, the school district shall, within two business days of the receipt of bids, forward the bid proposals to the Authority for review.

(b) Upon the district's receipt of bids for the demolition services portion of the school facilities projects, and the subsequent forwarding of such bids to the Authority, the Authority shall use the bids received to revise its CWE for the delegated demolition services portion of the school facilities project, ***if warranted,*** and shall modify the grant amount accordingly ***if the CWE has been modified. The Authority shall prepare a proposed charter for the school facilities project if one has not already been approved by the Board of the Authority*.**

(c) After the Authority revises the CWE for demolition services*[, and following]*
based on the bids, Authority staff shall submit any proposed or revised charter for the project to the Authority Board for approval, if there is no approved charter, or if the existing charter must be modified as a result of a CWE revision. *F*ollowing approval of the project charter by the Board of the Authority, the Authority shall execute the grant agreement and issue a written authorization to the district to proceed with the engagement of a contractor for the demolition services portion of the school facilities project, in accordance with N.J.A.C. 19:34B-6. ***The Authority shall endeavor to complete all reviews and approvals under this section, and to issue to the district an authorization to proceed, if approved, within sixty days of the district's receipt of bids. If the Authority determines that additional time is needed to secure the necessary reviews and approvals, the Authority shall notify the district before expiration of the sixty-day period, so that the district may request that bidders agree to extend the time for consideration of bids for an additional period.***

19:34B-3.4 Authority execution of grant agreement for delegated construction activities

(a) Upon the Authority's written approval of the bid specifications for construction of the school facilities project, which shall be drafted for procurement as a single overall contract (not multi-prime) under paragraph 2 of N.J.S.A. 18A:18A-18(b) of the PSCL, and upon the Authority's approval of the CWE, the Authority shall give the school district written authorization to seek bid proposals for construction in accordance with the PSCL. The school district shall include in its bid documents the statement that its ability to enter into a contract shall be contingent upon the receipt of an executed grant

agreement from the Authority, ***and a statement that an extension of the time period for consideration of bids under N.J.S.A. 18A:18A-36 may be required,*** and shall include in construction contract all of the requirements of N.J.A.C. 19:34B-6.3, as indicated. Once the bid proposals for the construction contract are received, the school district shall, within two business days of the receipt of bids, forward the bid proposals to the Authority for review.

(b) –(d) (No change from proposal.)

(e) The Authority shall endeavor to complete all reviews and approvals under this section, and to issue to the district an authorization to proceed, if approved, within sixty days of the district's receipt of bids. If the Authority determines that additional time is needed to secure the necessary reviews and approvals, the Authority shall notify the district before expiration of the sixty-day period, so that the district may request that bidders agree to extend the time for consideration of bids for an additional period.

19:34B-6.5 Remediation services as part of construction contract

(a) The Authority shall perform any necessary remediation to prepare a site for construction. The Authority may also delegate to the district, in accordance with N.J.A.C. 19:34B-2.3, certain remediation services or activities that are necessary to be undertaken during the construction of the school facilities project. All such remediation services or activities delegated to the district ***and occurring during the construction of**

the school facilities project* shall be performed under the supervision of a Licensed Site Remediation Professional retained by the Authority, and shall be consistent with the Remedial Action Work Plan for the property. ***Remediation activities that are necessary as part of long-term stewardship obligations of the district as owner of the Project Site, and which occur after the completion of construction and either the Authority's transfer of occupancy to the district or after the transfer of the Project Site property to the district, shall be performed under the supervision of a Licensed Site Remediation Professional retained by the district.***

(b) – (c) (No change from proposal.)

19:34B-6.6 Remediation services as part of demolition services contract

(a) Upon the Authority's determination, in accordance with N.J.A.C. 19:34B-2.3, to delegate demolition services, if the services delegated include the removal of an underground storage tank, the Authority may either undertake or delegate to the district the associated remediation of soil impacted by a discharge from the tank. All such remediation services or activities ***delegated to the district and occurring during demolition activities in advance of construction of the school facilities project*** shall be performed under the supervision of a Licensed Site Remediation Professional retained by the Authority, and shall be consistent with the Remedial Action Work Plan for the property. ***Remediation activities that are necessary as part of long-term stewardship obligations of the district as owner of the Project Site, and which occur after the completion of construction and either the Authority's transfer of**

occupancy to the district or after the transfer of the Project Site property to the district, shall be performed under the supervision of a Licensed Site Remediation Professional retained by the district.*

6

(b) – (c) (No change from proposal.)

RESOLUTION—6a**Resolution Approving Proposed Substantial Changes upon Adoption to Proposed New Rules, N.J.A.C. 19:34B****Resolution**

WHEREAS, Section 13.e of the Educational Facilities Construction and Financing Act (the “Act”) provides that the New Jersey Schools Development Authority (“SDA” or “the Authority”) shall promulgate rules by which it shall determine the capacity of an SDA school district (“school district” or “SDA district”) to manage a school facilities project or projects after the school district has been found by the Commissioner of Education to be eligible for Authority consideration; and

WHEREAS, on October 18, 2010 the New Jersey Schools Development Authority (“Authority” or “SDA”) promulgated proposed new rules to implement Section 13e of the Act, which proposed new rules were published at 42 N.J.R. 2380(a); and

WHEREAS, the new rules provided for a sixty-day comment period which ended on December 17, 2010; and

WHEREAS, the Authority received comments from members of the interested public, the details of which are set forth in materials presented to the Board on this date and attached hereto; and

WHEREAS, in response to the public comments received, the Authority has determined that certain substantive changes to the rules as previously proposed are warranted; and

WHEREAS, such substantive changes are set forth in the materials presented to the Board on this date and are incorporated herein.

NOW THEREFORE, BE IT RESOLVED THAT the Board hereby authorizes and approves the proposed substantive changes to sections of the original rule proposal as such changes are fully set forth in the Notice of Proposed Substantial Changes upon Adoption to Proposed New Rules, presented to the Board on July 6, 2011 and attached hereto, and incorporated herein.

BE IT FURTHER RESOLVED, the Board approves the issuance of the Notice of Proposed Substantive Changes upon Adoption to the Proposed New Rules consistent with materials presented to the Board on July 6, 2011, attached hereto and incorporated herein.

BE IT FURTHER RESOLVED, the Board approves the filing of the Notice of Proposed Substantive Changes upon Adoption to the Proposed New Rules with the Office of Administrative Law.

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor for his approval, unless during such 10 day period, the Governor shall approve same, in which case such action shall become effective upon such approval.

Attached: Memorandum Dated July 6, 2011 - Proposed Substantial Changes upon Adoption to Proposed New Rules, N.J.A.C. 19:34B

Dated: July 6, 2011

CONTRACT AMENDMENTS/CHANGE ORDERS

PRISMATIC DEVELOPMENT CORPORATION



MEMORANDUM

TO: Members of the Authority

FROM: Cheryl Walcott Bediako
Program Operations Director

DATE: July 6, 2011

SUBJECT: Change Order – Prismatic Development Corporation

COMPANY NAME: Prismatic Development Corporation
DISTRICT: West New York
CONTRACT No.: HU-0006-C02
CM: SDA Managed
SCHOOL NAME: Public School No. 3
CHANGE ORDER No.: 137
REASON: Extension of HVAC Warranties
AMOUNT: \$151,146.00
CONTRACT STATUS: 98.2% Paid to Date Against the Current Contract Value
ANTICIPATED
OCCUPANCY DATE: January 1, 2012

INTRODUCTION

I am writing to recommend approval by the Members of the Authority of a change order in the amount of \$151,146 for the reinstatement and the extension of HVAC warranties. Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, a change order that singularly exceeds \$500,000 or singularly or in the aggregate is greater than 10% of the contract value requires Board approval. The aggregate value of this and prior change orders is greater than 10% of the contract value.

BACKGROUND

The West New York Public School No. 3 is a new 110,120 square foot facility designed to educate 705 pre-kindergarten through grade 5 students. Prismatic Development Corporation was given the Notice to Proceed (NTP) on March 5, 2007. The anticipated school opening is January 2012.

To date there has been significant prior change order activity on this engagement including several change orders that have been reviewed and approved by the Members of the Authority and that have concerned remedial activity to address an Atrium design.

Members of the Authority
 Change Order – Prismatic Development Corporation
 West New York – Public School No. 3
 July 6, 2011
 Page 2

6

As with other change orders, the change order in this board approval request has been submitted to the SDA Special Projects Division to evaluate the items identified for pursuit of cost recovery resulting from the Atrium delay.

REASON FOR CHANGE

This change order is for reinstatement of lapsed warranties and to extend the warranty period of installed and operational HVAC equipment at Public School No. 3. SDA construction contracts, including the SDA contract with Prismatic, require a warranty period of two (2) years commencing upon delivery of the HVAC equipment. The HVAC equipment included in this change order request was delivered over two 2 years ago and is out of warranty. Without the proper maintenance and repairs covered by the warranties, improperly or nonfunctioning HVAC equipment can potentially damage existing materials and finishes, due to lack of temperature and humidity control. It is imperative that these warranties be retroactively reinstated and remain in effect to safeguard the sizable investment in this building, and limit the possibility of financial exposure to the SDA for replacement of currently installed equipment, fixtures and finishes.

In order to satisfy manufacturer's requirements for continuity, the warranty extension will be retroactive to June 1, 2010 (original lapse of warranty) and remain in effect for two years until June 30, 2012. Manufacturers warranty extensions are only offered for full year periods. Negotiation of this change order has served to eliminate the costs of service calls performed since the date of warranty lapse, valued at approximately \$40,000. In addition, costs associated with other scheduled repair visits will be eliminated by the warranty extension. The change order is inclusive of General Contractor costs because the project work is ongoing and Prismatic remains responsible for management and oversight of all HVAC service calls prior to project completion.

SUMMARY OF CHANGE

This change order is to re-instate and extend warranties on HVAC equipment at Public School No. 3 from June 1, 2010 to June 30, 2012.

1) HVAC Subcontractor - AMCO Enterprises Inc./Manuf. Warranty (2 yrs ext.)	\$ 146,000.00
2) GC Processing, Management and Oversight	\$ 5,146.00
ADDITIONAL COSTS	\$ 151,146.00

Members of the Authority
 Change Order – Prismatic Development Corporation
 West New York – Public School No. 3
 July 6, 2011
 Page 3

Documents supporting this change order have been reviewed by the associated NJSDA project team members as well as the Program Director, Deputy Program Director, and the NJSDA Contract Management Department (CMD) for adherence to current NJSDA policy and procedures. All reviewing NJSDA staff members, including CMD, have determined that the change order is justified and that the amount is reasonable and appropriate.

CALCULATIONS

a.	Original Contract Amount (base contract including allowances and selected alternates)	\$	38,200,000
b.	Change Orders to Date (including Board approved change orders)	\$	6,895,332
c.	Proposed Change Order Amount	\$	151,146
d.	Total Change Orders to Date including this Change Order (Total of Line (b.) and Line (c.))	\$	7,046,478
e.	Percentage Change to Original Contract (Line (d.) represents a percent of Line (a.))		18%
f.	Proposed Adjusted Contract Price (Line (a.) plus Line (d.))	\$	45,246,478

RECOMMENDATION

The Members of the Authority are requested to approve Change Order No. 137 in the amount of \$151,146.00. In accordance with the Operating Authority adopted by the Board on December 1, 2010, any change order which singularly exceeds \$500,000 or singularly or when aggregated with all prior approved change orders is greater than 10% of the contract value requires approval by the Members of the Authority. The aggregate value of this change order and prior change orders is greater than 10% of the contract value.

/s/ Cheryl Walcott Bediako

Cheryl Walcott Bediako, Program Operations Director

Reviewed and Recommended by: Andrew Yosha, Vice President, Program Operations

Reviewed and Recommended by: Christopher Megnin, Program Operations

Prepared and Recommended by: Louis Ledesma, Program Operations

Resolution – 6b1.

COMPANY NAME: Prismatic Development Corporation
 DISTRICT: West New York
 CONTRACT No.: HU-0006-C02
 CM: SDA Managed
 SCHOOL NAME: Public School No. 3
 CHANGE ORDER No.: 137
 REASON: Extension of HVAC Warranties
 AMOUNT: \$151,146.00
 CONTRACT STATUS: 98.2% Paid to Date Against the Current Contract Value
 ANTICIPATED
 OCCUPANCY DATE: January 1, 2012

6

RESOLUTION

WHEREAS, the SDA Operating Authority adopted by the Board on December 1, 2010 requires that a change order that singularly exceeds \$500,000 or that singularly or in the aggregate is greater than 10% of the contract value must be approved by the Members of the Authority; and

WHEREAS, the West New York Public School No. 3 (the project) is a new 110,120 square foot facility designed to educate 705 pre-kindergarten through grade 5 students; and

WHEREAS, on March 5, 2007 Prismatic Development Corporation was given the Notice to Proceed (NTP) with the project with an anticipated school opening in January 2012; and

WHEREAS, SDA construction contracts, including the SDA contract with Prismatic, require a warranty period of two (2) years commencing upon delivery of the HVAC equipment; and

WHEREAS, the HVAC equipment included in this change order request was delivered over two years ago and is out of warranty; and

WHEREAS, without the proper maintenance and repairs covered by the warranties, improperly or nonfunctioning HVAC equipment can potentially damage existing materials and finishes, due to lack of temperature and humidity control; and

WHEREAS, it has been determined imperative that these warranties be retroactively reinstated and remain in effect to safeguard the sizable investment in this building, and limit the possibility of financial exposure to the SDA for replacement of currently installed equipment, fixtures and finishes; and

WHEREAS, in order to satisfy manufacturer's requirements for continuity, the warranty extension will be retroactive to June 1, 2010, the original lapse of warranty, and remain in effect for two years until June 30, 2012; and

WHEREAS, the aggregate value of this change order, in the amount of \$151,146 for the reinstatement and the extension of warranties for installed and operational HVAC equipment at Public School No. 3, in the aggregate with prior change orders is greater than 10% of the contract value; and

WHEREAS, this change order is inclusive of general contractor costs as the project work is ongoing and Prismatic remains responsible for management and oversight of all HVAC service calls prior to project completion; and

WHEREAS, documents supporting this change order have been reviewed by the associated NJSDA project team members as well as the Program Director, Deputy Program Director, and the NJSDA Contract Management Department (CMD) for adherence to current NJSDA policy and procedures and all reviewing NJSDA staff members have determined that the change order is justified and that the amount is reasonable and appropriate; and

WHEREAS, this matter has been submitted to the SDA Special Projects Division and will be evaluated for cost recovery potential.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority authorize and approve Change Order No. 137 in the amount of \$151,146.00 for Prismatic Development Corporation (HU-0006-C02) in the West New York School District.

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor for his approval, unless during such 10 day period, the Governor shall approve same, in which case such action shall become effective upon such approval.

Attached: Memorandum, West New York School District, Prismatic Development Corporation (HU-0006-C02), dated July 6, 2011

Dated: July 6, 2011

UNION AVENUE MIDDLE SCHOOL - IRVINGTON - \$1,063,000

**MEMORANDUM**

TO: Members of the Authority

FROM: Sean Murphy
Procurement Manager

RE: District: Irvington
School: Union Avenue Middle School
Project: Emergent Boiler Replacements
Package No.: EP-0050-C01 RB1
Award Amount: \$1,063,000
Design Consultant: DMR Architects

DATE: July 6, 2011

FOR INFORMATIONAL PURPOSES

At the April 6, 2011 Board meeting, the Members delegated authority to the Chief of Staff¹ and Chair of the SRC for the award of a contract for the Emergent Boiler Replacements at the Union Avenue Middle School in the Irvington School District. The approval required notification to the Board of the bidding results including the responsiveness of, and the price submitted by, each bidder. This project provides for the demolition and removal of six (6) boilers and all associated controls, pumps, electric, piping, and breeching and replacing them with four (4) new boilers of sufficient heating capacity to accommodate the school and adjacent annex. In addition, a complete boiler asbestos abatement will be performed with this work. This project is to be funded by the NJSDA Program Reserve maintained for emergent projects. The estimated construction cost included in the draft Emergent Project Charter presented to the Board on April 6, 2011 was \$1,236,609. Attached herewith is the final Emergent Project Charter as approved under delegated authority.

Price Proposals were received on April 20, 2011. One (1) contractor responded. The submitted proposal followed NJSDA instructions for each bidder to provide a lump sum base bid. The price proposal was publicly opened and the lump sum base bid was read aloud as required by law. No proposals were received after the deadline.

¹ Mark Larkins, CEO, has recused himself from all Irvington Projects.

Members of the Authority
 Irvington School District
 Package No.: EP-0050-C01 RB1 – Union Avenue Middle School
 July 6, 2011
 Page 2

6

The results of the bid opening are as follows:

Contractor	Proposed Price	Comments
Sunnyfield Corporation	\$1,073,000	Qualified and responsive bidder.

The qualified contractor submitting the lowest responsive Price Proposal was Sunnyfield Corporation (a registered SBE) with a bid amount of \$1,073,000. In addition, the two required subcontractors named in Sunnyfield's Price Proposal (General Contractor and Electrical) are registered as Small Business Enterprises.

During the preparation of the analyses comparing the CCE to the contractor's bid breakdown it was noted that a quantity of six (6) steam boilers was used to determine the CCE, instead of the four (4) needed. There are four (4) existing steam boilers in the 1924 boiler room being removed and they are being replaced with two (2) high efficiency condensing boilers. This material overage, partially offset by an increase to the line item for ACM abatement, resulted in a net overstatement of the CCE of \$258,328. Therefore, the final CCE has been revised by CMD from \$1,236,609 (as advertised) to \$978,281.

Since legislation authorizes negotiation with a single responsive bidder with regard to price alone, a discussion was held on May 18, 2011 to negotiate the contract amount. Procurement, CMD and Program Operations negotiated a \$10,000 reduction to Sunnyfield's bid amount of \$1,073,000, thereby, reducing its price to \$1,063,000. Concessions were obtained in the areas of hazardous material abatement, including related insurance costs. The negotiating team believes this is a fair and reasonable price provided the project's scope of work.

As required by the Members' delegated authority the following criteria were met: 1) the Chief of Staff and the Chair of the School Review Committee agreed that the award shall be made on review of the bid results and process; and 2) the award amount of the project did not exceed 110% of the estimated amount of \$1,236,609 as set forth in the draft Emergent Project Charter.

The Notice to Proceed was executed on June 23, 2011. Prior to execution of the contract, the contract and related documentation were reviewed and approved by the NJSDA Office of Chief Counsel.

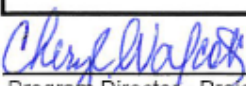
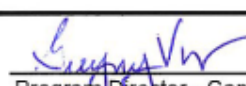
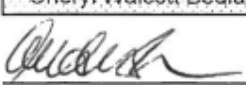
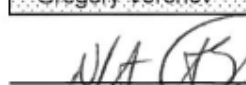
/s/ Sean Murphy

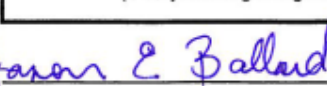
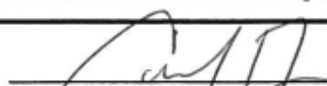
Sean Murphy, Procurement Manager

Prepared by: Martin Taylor

New Jersey Schools Development Authority Emergent Project Charter - Summary		Charter Date 05/31/11
Region:	Northern	Supersedes Charter Dated
District:	Irvington	
School Name:	Union Avenue Middle School	
Project Type:	Emergent	
DOE # / Project #:	2330-140-10-1000/ 2330-140-10-00C1	
Project Location:	427 Union Avenue Irvington, NJ 07111	
Project Budget:	\$ 1,390,747	Funding Source 2008 Capital Plan
Anticipated Construction NTP Date	06/15/11	
Anticipated Final Completion Date	10/15/11	
Project Initiation Date:	04/14/09	

Charter Version and Date	Project Summary
<input checked="" type="checkbox"/> Final 05/31/11	<p>The Union Avenue Middle School has six boilers in the school with four located in the original part of the school building, identified as the 1924 boiler room and two located in the addition identified as the 1993 boiler room. 1924 boiler room - replace 4 boilers with two boilers and all necessary work including demolition with removal, breeching, pumps, piping, electrical and boiler controls within the mechanical room. Asbestos abatement is to be performed with this work. The work shall include exterior stack work. The 1993 boiler room - replace 2 flex boilers with two condensing boilers and all necessary demolition and removal, breeching, pumps, piping, electrical and boiler controls. All new boiler controls shall be tied into the existing building control system. A cost savings of \$22,330 from the Smart Start Rebate is anticipated.</p>
Revision # and Date	
<input type="checkbox"/> One	
<input type="checkbox"/> Two	
<input type="checkbox"/> Three	Purpose for Advancement of Emergent Charter
	To provide funding for the correction of the emergent boiler condition at Irvington Union Avenue Middle School.

Recommendation	
 Program Director - Project Cheryl Walcott Bediako	 Program Director - Capital Planning Gregory Voronov
Date 6/10/11	Date 6/10/11
 VP, Program Operations Andrew Yoshia	 VP - Program Operations N/A
Date 6/13/11	Date 6/13/11

Approval	
(If Project Budget is greater than \$500,000 Attach Board Memo and Minutes indicating authorization of funding)	
 *Chief of Staff Jason E. Ballard	 Chair, School Review Committee Caren S. Franzini
Date 6/15/11	Date 6/15/11

*Marc Larkins has recused himself from all Irvington Projects

New Jersey Schools Development Authority Emergent Project Charter Project Budget

District / Project Name:	Irvington / Union Avenue Middle School
DOE # / Project #:	2330-140-10-1000/ 2330-140-10-00CI
Charter Date:	05/31/11

Special Considerations:

Duration of work to be completed between June 15, 2011 and October 15, 2011 while heating system is not required. An allowance of \$150,000 has been allocated for temporary heat if required and unforeseen conditions pertaining specifically to Asbestos Containing Material abatement. The other costs have been adjusted to 4% to be inclusive of projected DCA fees for permits and anticipated inspections.

Project Budget:**Construction Costs:**

Building Costs	\$1,063,000
Site Costs	
Construction Contingency	\$159,450

Total Construction Costs	\$1,222,450
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Other Costs: %

Design	8.82%	\$93,724
Construction Admin	2.07%	\$22,053
Other Costs	4.00%	\$42,520

Total Other Costs	\$158,297
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PreDevelopment & Environmental Costs:

Asbestos Monitoring allowance	\$10,000
Environmental/Remediation	\$0

Total PreDevelopment & Environmental Costs	\$10,000
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Total Project Budget		\$1,390,747
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Funding from Prior Allocation		\$0
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Funding from 2008 Allocation		\$1,390,747
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RAFAEL CORDERO MOLINA ES - CAMDEN

**MEMORANDUM**

TO: Members of the Authority

FROM: Sean Murphy
Procurement Manager

RE: District: Camden
School: Rafael Cordero Molina Elementary School
Project: Emergent HVAC and Roof Replacement
Package No.: EP-0056-C01 RB1
Award Amount: \$2,498,000
Design Consultant: Design Ideas Group, Architects

DATE: July 6, 2011

FOR INFORMATIONAL PURPOSES

At the April 6, 2011 Board meeting, the Members delegated authority to the CEO and Chair of the SRC for the award of a contract for Emergent HVAC and Roof Replacement at the Rafael Cordero Molina Elementary School in the Camden City School District. The approval required notification to the Board of the bidding results including the responsiveness of, and the price submitted by, each bidder. This project provides for replacement of the existing HVAC units/system and the replacement of the existing EPDM roof system with a new modified bitumen roof system. This project is to be funded by the NJSDA Program Reserve maintained for emergent projects. The estimated construction cost included in the draft Emergent Project Charter presented to the Board on April 6, 2011 was \$2,505,978. Attached herewith is the final Emergent Project Charter as approved under delegated authority.

Price Proposals were received on April 21, 2011. Five (5) contractors responded. The submitted proposals followed NJSDA instructions for each bidder to provide a lump sum base bid. The price proposals were publicly opened and the lump sum base bids were read aloud as required by law. No proposals were received after the deadline.

Members of the Authority
 Camden City School District
 Package No.: CA-0056-C01 RB1 - Rafael Cordero Molina Elementary School
 July 6, 2011
 Page 2

6

The results of the bid opening are as follows:

Contractor	Proposed Price	Comments
Epic Mechanical, Inc.	\$2,498,000	Qualified and responsive bidder.
AMCO Enterprises, Inc.	\$2,880,000	Qualified and responsive bidder.
Devine Brothers, Inc.	\$3,345,000	Bid rejected. The amount of the firm's Price Proposal was more than the firm's Per-Project Limit.
Kappa Construction Corporation	\$3,835,000	Qualified and responsive bidder.
Framan Mechanical, Inc.	\$3,845,000	Qualified and responsive bidder.

The qualified contractor submitting the lowest responsive Price Proposal was Epic Mechanical, Inc. (a registered SBE) with a bid amount of \$2,498,000. In addition, one of the two required subcontractors named in Epic Mechanical's Price Proposal (Roofing) is registered as a Small Business Enterprise.

As required by the Members' delegated authority the following criteria were met: 1) the Chief Executive Officer and the Chair of the School Review Committee agreed that the award shall be made on review of the bid results and process; and 2) the award amount of the project did not exceed 110% of the estimated amount of \$2,505,978 as set forth in the draft Emergent Project Charter.

The Notice to Proceed was executed on May 31, 2011. Prior to execution of the contract, the contract and related documentation were reviewed and approved by the NJSDA Office of Chief Counsel.

/s/ Sean Murphy

Sean Murphy, Procurement Manager

Prepared by: Jim McElhenny

New Jersey Schools Development Authority Emergent Project Charter - Summary

Region: Southern
District: Camden
School Name: Molina Elementary School
Project Type: Emergent
DOE # / Project #: 0680-250-08-1000
Project Location: Camden, NJ

Charter Date

04/28/11

Supersedes
Charter Dated

N/A

Project Budget: \$ 3,134,325
Anticipated Construction NTP Date 05/19/11
Anticipated Final Completion Date 11/19/11
Project Initiation Date: 06/01/08

Funding Source

2008 Capital Plan

Charter Version and Date		Project Summary
<input checked="" type="checkbox"/> Final	04/28/11	HVAC - Replacement of the HVAC system including; equipment, ductwork, associated mechanical and electrical work, environmental control system, and TAB. Roofing - Demolish existing EPDM roof system and replace with a modified bituminous roof system with cap sheet and tapered insulation. Replace all flashing and seals including perimeter base flashing, provide 20 year labor and material warranty.
Revision # and Date		
<input type="checkbox"/> One		
<input type="checkbox"/> Two		
<input type="checkbox"/> Three		Purpose for Advancement of Emergent Charter
		To establish the final budget for the project inclusive of dollar values for the award for construction, appropriate contingency, design services, pre-development expenses and estimated other costs.

Recommendation

<div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;">/s/ Patrick Green</div> <div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;">Patrick Green</div>	5/9/2011	Date	<div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;">/s/ Gregory Voronov</div> <div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;">Gregory Voronov</div>	5/10/2011	Date
<div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;">/s/ Andrew Yosha</div> <div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;">Andrew Yosha</div>	5/13/2011	Date	<div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;">N/A</div> <div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;">N/A</div>		
Program Director - Project			Program Director - Capital Planning		
VP - Program Operations			VP - Program Operations		

Approval

(If Project Budget is greater than \$500,000 Attach Board Memo and Minutes indicating authorization of funding)

<div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;">/s/ Marc Larkins</div> <div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;">Marc Larkins</div>	5/16/2011	Date	<div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;"> </div> <div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;"> </div>		
Chief Executive Officer					

New Jersey Schools Development Authority Emergent Project Charter Project Budget

District / Project Name:	Camden / Molina Elementary School
DOE # / Project #:	0680-250-08-1000
Charter Date:	04/28/11

Special Considerations:

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Project Budget:

Construction Costs:			
Building Costs		\$2,498,000	
Site Costs		\$0	
Construction Contingency		\$374,700	
Total Construction Costs		\$2,872,700	
Other Costs:			
	%		
Design	4.66%	\$116,284	
Construction Admin	2.79%	\$69,716	
Design Contingency	0.37%	\$9,300	
Other Costs	2.00%	\$50,120	
Total Other Costs		\$245,420	
PreDevelopment & Environmental Costs:			
PreDevelopment	10102102	\$16,205	
Environmental/Remediation		\$0	
Total PreDevelopment & Environmental Costs		\$16,205	
Total Project Budget		\$3,134,325	
Funding from Prior Allocation			
Funding from 2008 Allocation		\$3,134,325	

APPROVAL OF PROCUREMENT

JERSEY CITY SCHOOL DISTRICT - FRANK A CONWELL ES3/MS4



STATE OF NEW JERSEY

SCHOOLS DEVELOPMENT AUTHORITY

MEMORANDUM

6

TO: Members of the Authority

FROM: Sean Murphy
Procurement Manager

DATE: July 6, 2011

SUBJECT: Approval of Procurement – Jersey City School District
Frank A. Conwell Elementary School # 3 and
Frank A. Conwell Middle School # 4
Consultant Fee: \$152,200

DISTRICT: Jersey City School District

SCHOOL: Frank A. Conwell Elementary School # 3 and
Frank A. Conwell Middle School # 4

PACKAGE #: JE-0016-R08

WORK TO BE PERFORMED: HVAC Retro-Commissioning Services

INTRODUCTION

I am writing to recommend approval by the Members of the Authority for award of a contract in the amount of \$152,200 to Concord Engineering Group, Inc. for HVAC Retro-Commissioning Services. This contract is for services to investigate, document and provide recommendations to address HVAC issues experienced at the Frank A. Conwell Elementary School # 3 (PS 3) and Frank A. Conwell Middle School # 4 (MS 4) located in the Jersey City School District, schools facilities which were delivered to the district in December 2005. The deliverables of this contract will support a scope of work and cost estimate for separate procurements for remedial action, as appropriate.

Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, Board approval is required for the award of consultant contracts greater than \$100,000.

BACKGROUND

Addressing the HVAC issues is part of a corrective action plan to address several deficiencies at the facilities. With respect to this procurement of retro-commissioning services, SDA staff has engaged in document review and scope development for the procurement of a commissioning agent to investigate, validate and quantify the identified concerns associated with the existing HVAC systems installed at PS 3 and MS 4.

Members of the Authority

Approval of Procurement

Jersey City School District

Frank R. Conwell Public School # 3 and Frank R. Conwell Middle School # 4

July 6, 2011

Page 2

The deliverables of the engagement for retro-commissioning services include review and assessment for appropriateness the original design and installation of the HVAC systems as well as the original commissioning. Completion of retro-commissioning will identify the causes of operating and performance issues with the systems for the two schools, and will provide the SDA with a road-map for the corrective work necessary to eliminate existing issues with each of the systems. Following the conclusion of the retro-commissioning process, the SDA will seek the services of a separate design professional to design the required corrections in order for the HVAC systems to operate appropriately. The completion of the retro-commissioning process is expected to support a determination and recommendation with regard to recovery of costs associated with necessary corrective action.

PROCUREMENT PROCESS

Pursuant to regulations, a one-step selection process was employed. This package was advertised beginning on June 3, 2011 on the NJSDA website and on the State of New Jersey Business Opportunities website. In addition, the advertisement was distributed to those firms that are pre-qualified in the area of Building Commissioning (P019) by both the Department of Treasury, Division of Property Management and Construction and the NJSDA, and which have an NJSDA prequalification rating of \$500,000 or greater.

A Selection Committee consisting of three NJSDA staff members was established.

Mandatory pre-bid conferences were held on June 8, 2011 and June 13, 2011. Proposals were received from six (6) firms on June 20, 2011.

Technical Proposals were evaluated by the Selection Committee. Evaluations were based upon the information provided by the firms in response to the RFP for this project. The three committee members evaluated the Technical Proposals for HVAC Retro-Commissioning Services separately based on the following criteria:

- Project Understanding
- Project Approach
- Retro-Commissioning Experience
- Team Qualifications

Each Selection Committee member evaluated each of the criteria on a scale of 0 to 10 as follows:

- Outstanding (9-10): depth and quality of response offers significant advantages.
- Superior (7-8): exceeds RFP requirements with no deficiencies.
- Sufficient (5-6): meets RFP requirements with no significant deficiencies.
- Minimal (3-4): meets RFP requirements but contains some significant deficiencies.

Members of the Authority

Approval of Procurement

Jersey City School District

Frank R. Conwell Public School # 3 and Frank R. Conwell Middle School # 4

July 6, 2011

Page 3

- Marginal (1-2): comprehends intent of RFP but contains many significant deficiencies.
- Unsatisfactory (0): requirements not addressed and lack of detail precludes adequate evaluation.

Weighting factors were applied to each of the Selection Committee Member evaluations to arrive at a total weighted score as follows:

Criteria	Weighting Factor	Maximum Weighted Points
Project Understanding	1.5	15
Project Approach	2.0	20
Retro-Commissioning Experience	3.0	30
Team Qualifications	3.5	35
TOTAL POSSIBLE POINTS		100

Each firm could receive a maximum of 100 points per evaluator, or 300 points total. Respondents received a final technical score and ranking based on their Technical Proposal's evaluation. The responsive firms, their scores and ranks are listed below:

Firm	Score	Rank
Concord Engineering Group, Inc.	208.5	1
Dome-Tech, Incorporated	207.0	2
Heery International, Inc.	206.5	3
GREYHAWK North America L.L.C.	179.5	4
Cosentini Associates, Inc.	156.0	5
Wick Fisher White Corporation	135.5	6

The Selection Committee ranked Concord Engineering Group, Inc. as the most technically qualified firm on June 23, 2011. Following the final technical ranking, the Fee Proposals were opened and reviewed by the NJSDA. The fees proposed are as follows:

Firm	PS 3	MS 4	Total Fee
Concord Engineering Group, Inc.	\$ 71,600	\$ 80,600	\$152,200
Dome-Tech, Incorporated	\$ 82,607	\$102,027	\$184,634
Heery International, Inc.	\$100,716	\$148,324	\$249,040
GREYHAWK North America L.L.C.	\$ 67,500	\$ 79,300	\$146,800
Cosentini Associates, Inc.	\$ 48,780	\$ 50,800	\$ 99,580
Wick Fisher White Corporation	\$ 72,000	\$ 92,000	\$164,000

Members of the Authority
Approval of Procurement
Jersey City School District
Frank R. Conwell Public School # 3 and Frank R. Conwell Middle School # 4
July 6, 2011
Page 4

Procurement and Program Operations consider the fee of \$152,200 proposed by Concord Engineering Group, Inc. to be fair and reasonable for the services to be provided.

SCHEDULE

Retro-commissioning is anticipated to begin August 1, 2011 with a duration of 60 calendar days. Those retro-commissioning services requiring testing and disconnection of the HVAC systems are expected to be completed during August while school is not in session.

RECOMMENDATION

The Members of the Authority are requested to approve the award of a contract to Concord Engineering Group, Inc. in the amount of \$152,200 for HVAC Retro-Commissioning Services to investigate and recommend corrective action at the Frank R. Conwell Public School # 3 and Frank R. Conwell Middle School # 4 in the Jersey City School District.

/s/ Sean Murphy

Sean Murphy, Procurement Manager

Reviewed and Recommended by: Donald Guarriello, Vice President and CFO

RESOLUTION – 6di.

Approval of Procurement – Jersey City School District
Frank A. Conwell Elementary School No. 3 and
Frank A. Conwell Middle School No.4
Consultant Fee: \$152,200
Package No. JE-0016-R08
HVAC Retro-Commissioning Services

Resolution

WHEREAS, the NJSDA Operating Authority adopted by the Board on December 1, 2010 requires that the Members of the Authority approve the award of consultant contracts in an amount greater than \$100,000; and

WHEREAS, the Frank A. Conwell Elementary School No. 3 (PS 3) and Frank A. Conwell Middle School No. 4 (MS 4), located in the Jersey City School District were delivered to the district in December 2005; and

WHEREAS, issues have existed with the HVAC systems at these school facilities that warrant corrective action; and

WHEREAS, the contract presented to the Members for approval on this date is for procurement of services to investigate, document and provide recommendations to address the HVAC issues existing at these school facilities (HVAC Retro-Commissioning Services), the particulars of which are set forth in detail in the materials presented to the Board which are incorporated herein; and

WHEREAS, addressing the HVAC issues is part of a corrective action plan to address several deficiencies at the facilities; and

WHEREAS, the deliverables of this contract will support a scope of work and cost estimate for separate procurements for remedial action, as appropriate; and

WHEREAS, in furtherance of procurement of Retro-Commissioning Services, SDA staff has engaged in document review and scope development for the procurement of a commissioning agent to investigate, validate and quantify the identified concerns associated with the existing HVAC systems installed at PS 3 and MS 4; and

WHEREAS, the details of the procurement process employed to obtain the Retro-Commissioning Services are set forth in the materials presented to the Board on this date and are fully consistent with SDA regulations and practices; and

WHEREAS, following the procurement process, it was determined that the contract is appropriately awarded to Concord Engineering Group, Inc. in the amount of \$152,200; and

WHEREAS, the Retro-commissioning Services are anticipated to begin August 1, 2011 with a duration of sixty calendar days and shall be conducted consistent with the materials presented to the Board on this date and incorporated herein; and

WHEREAS, executive management and associate program staff have determined that this procurement for Retro-Commissioning Services to investigate and recommend corrective action at the Frank R. Conwell Public School # 3 and Frank R. Conwell Middle School # 4 in the Jersey City School District is necessary and appropriate and warrants Board approval.

NOW, THEREFORE, BE IT RESOLVED, that the Members of the Authority hereby authorize and approve the award of a contract to Concord Engineering Group, Inc. in the amount of \$152,200 for HVAC Retro-Commissioning Services in order to investigate and recommend corrective action at the Frank R. Conwell Public School # 3 and Frank R. Conwell Middle School # 4 in the Jersey City School District.

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately, but no action authorized herein shall have force and effect until 10 days, Saturdays, Sundays and public holidays excepted, after a copy of the minutes of the Authority meeting at which this resolution was adopted has been delivered to the Governor for his approval, unless during such 10 day period, the Governor shall approve same, in which case such action shall become effective upon such approval.

Attachment: Memorandum- Approval of Procurement – Jersey City School District, (Contract No. JE-0016-R08), Frank A. Conwell Elementary School # 3 and Frank A. Conwell Middle School # 4, July 6, 2011

Dated: July 6, 2011

MONTHLY REPORTS
(For Informational Purposes)

PROJECT STATUS REPORT



MEMORANDUM

TO: Members of the Authority

FROM: Greg Voronov
Program Director – Capital Planning & Grants Administration

DATE: July 6, 2011

SUBJECT: Executive Summary – Monthly Project Status Reports & Quarterly
Active Projects Report

MONTHLY PROJECT STATUS REPORT

STATUS UPDATES:

No new data to report.

MONTHLY PROJECT STATUS REPORT

NEW ITEMS (Projects Greater than 90 Days Behind Schedule):

No new data to report.

QUARTERLY ACTIVE PROJECTS REPORT

Report issued for 2nd Quarter 2011.

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)



Projects that have Expended 75% or More of Board Approved Contingency

Reporting Period: Jan. 1, 2008 to June 16, 2011

District	Project ¹	Board Approved Project Charter Contingency	Contingency Expended/Committed	Contingency Remaining ²	% of Contingency Expended/Committed	Project Completion %	Cause(s)	Current Status
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In Construction

Camden	Morgan Village M.S.*	\$5,174,775	\$4,277,046	\$897,729	82.7%	85%	1. Unforeseen soil remediation 2. Structural steel changes	A revised Charter was approved by the CEO in accordance with the Operating Authority adding \$3.6M against a total project budget of \$36.5M. Close monitoring of the projected costs will continue.
Elizabeth	#21, Victor Mravlag E.S.*	\$8,240,000	\$6,915,140	\$1,324,860	83.9%	49%	1. Unforeseen asbestos abatement 2. Unforeseen structural integrity issues. 3. Project changed from addition/renovation to new construction.	Revised Charters were approved by the Board in accordance with the Operating Authority adding a total of \$8.4M against a total project budget of \$31.9M. Close monitoring of the projected costs will continue.

Substantially Complete & Building Occupied

Please refer to the Project Close-Out Activity Report for status of close-out activities

Burlington City	Burlington City H.S.*	\$17,830,990	\$17,817,588	\$13,402	99.9%	99%	1. Unforeseen soil remediation 2. Unforeseen asbestos abatement.	A revised Charter was approved by the CEO in accordance with the Operating Authority adding \$1.1M against a total project budget of \$55M. Project Closeout in Process.
Camden	Dudley E.S.*	\$3,215,000	\$2,864,078	\$350,922	89.1%	99%	1. Installation of IT/AV systems	A revised Charter was approved by the CEO in accordance with the Operating Authority adding \$1.4M against a total project budget of \$42.8M. The Core Team is currently preparing a CEO memo in accordance with the Operating Authority requesting \$450k in additional funds.
Camden	Early Childhood Development Center #25	\$11,314,645	\$9,893,667	\$1,420,978	87.4%	99%	1. Unforeseen soil remediation	Close monitoring of the projected costs will continue.
Camden	HB Wilson E.S.*	\$3,097,150	\$3,097,150	\$0	100.0%	99%	1. Installation of centralized water filtration system 2. Installation of IT/AV systems	A revised Charter was approved by the CEO in accordance with the Operating Authority adding \$2M against a total project budget of \$33.6M. Close monitoring of the projected costs will continue.
East Orange	Mildred B. Garvin School	\$1,429,632	\$1,360,681	\$68,951	95.2%	99%	1. Unforeseen soil remediation 2. Modifications to security system	Close monitoring of the projected costs will continue.
Egg Harbor City	New M.S.*	\$1,058,907	\$915,613	\$143,294	86.5%	98%	1. Delays caused by design errors and extreme weather	A revised Charter was approved by the CEO in accordance with the Operating Authority adding \$818k against a total project budget of \$21.8M. Close monitoring of the projected costs will continue.

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)



Projects that have Expended 75% or More of Board Approved Contingency

Reporting Period: Jan. 1, 2008 to June 16, 2011

District	Project ¹	Board Approved Project Charter Contingency	Contingency Expended/Committed	Contingency Remaining ²	% of Contingency Expended/Committed	Project Completion %	Cause(s)	Current Status
Neptune	Neptune Community E.S.*	\$21,377,995	\$19,770,159	\$1,607,836	92.5%	99%	1. Unforeseen mold remediation 2. Teardown/rebuild portion of the structure due to mold	A revised Charter was approved by the CEO in accordance with the Operating Authority which added \$289k against a total project budget of \$77.9M (portion of unforeseen costs absorbed by \$6.5M in cost recovery). Close monitoring of the projected costs will continue.
Newark	Park School*	\$3,294,431	\$2,473,442	\$820,989	75.1%	99%	1. Removal of unsuitable soils 2. Removal of unforeseen USTs 3. Installation of groundwater monitoring wells	A revised Charter was approved by the CEO in accordance with the Operating Authority adding \$975k against a total project budget of \$51.6M. Close monitoring of the projected costs will continue. Project close-out in process.
Newark	Speedway Avenue (-x07)	\$1,826,000	\$1,826,000	\$0	100.0%	99%	1. Removal of unforeseen impacted materials	Close monitoring of the projected costs will continue.
Orange	Lincoln Avenue E.S.*	\$5,615,000	\$5,416,193	\$198,807	96.5%	99%	1. Unforeseen asbestos abatement 2. Structural repairs to interior walls 3. Extended general conditions	A revised Charter was approved by the CEO in accordance with the Operating Authority adding \$2.95M against a total project budget of \$48.2M. Close monitoring of the projected costs will continue.
Orange	Park Avenue E.S.*	\$3,360,000	\$3,275,103	\$84,897	97.5%	99%	1. Unforeseen asbestos abatement	A revised Charter was approved by the CEO in accordance with the Operating Authority adding \$1.91M against a total project budget of \$35.3M. Close monitoring of the projected costs will continue.
Passaic	New E.S. at Main Ave Site*	\$9,548,320	\$8,036,073	\$1,512,247	84.2%	98%	1. Atrium design changes required by code 2. Unforeseen subsurface sewage line work 3. Adding back Security/IT System (removed and anticipated to be bid as a separate engagement for E-Rate reimbursement)	A revised Project Charter was approved by the Board in accordance with the Operating Authority adding \$7M against a total project budget of \$55.7M. Certificate of Occupancy issued and Project Closeout in process.
Paterson	International H.S.*	\$5,039,000	\$4,127,095	\$911,905	81.9%	98%	1. Installation of two foot soil cap required to meet DEP regulations 2. Modifications to smoke evacuation system	A revised Charter was approved by the CEO in accordance with the Operating Authority adding \$1.7M against a total project budget of \$55.3M. Close monitoring of the projected costs will continue.
Paterson	Number 24 E.S.	\$4,616,120	\$4,585,859	\$30,261	99.3%	99%	1. Unforeseen soil remediation and clean fill.	Certificate of Occupancy issued. Project close-out in process.
Perth Amboy	ECC II*	\$2,604,619	\$2,073,597	\$531,022	79.6%	99%	1. Removal of unsuitable soils 2. Adding back Security/IT System (removed and anticipated to be bid as a separate engagement for E-Rate reimbursement)	A revised Charter was approved by the CEO in accordance with the Operating Authority adding \$1.7M against a total project budget of \$30.1M. Project closeout in process.

Projects that have Expended 75% or More of Board Approved Contingency

Reporting Period: Jan. 1, 2008 to June 16, 2011

District	Project ¹	Board Approved Project Charter Contingency	Contingency Expended/Committed	Contingency Remaining ²	% of Contingency Expended/Committed	Project Completion %	Cause(s)	Current Status
Trenton	Martin Luther King/Jefferson School	\$3,256,159	\$2,498,300	\$757,859	76.7%	99%	1. Unforeseen soil remediation	Project close-out in progress. Close monitoring of the projected costs will continue.
West New York	West New York #2 E.S.	\$2,708,883	\$2,706,873	\$2,010	99.9%	99%	1. Unforeseen site foundation issues	Certificate of occupancy issued. The Core Team is currently preparing a Board memo in accordance with the Operating Authority requesting additional funds.

¹ * Indicates Final Project Charter Revision

² Does not include expended contingency or contingency funds allocated for change orders, amendments and claim



Projects Greater than 90 Days Behind Schedule or with Occupancy Date in Jeopardy

Reporting Period: Jan. 1, 2008 to June 16, 2011

#	Event Date District	Project	Board Approved Project Charter SubComp Date	Current Contract SubComp Date	Forecasted Contract SubComp Date	# of Days Behind Schedule	Cause(s)	Current Status
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No New Data to Report



Revisions to Project Charters

Reporting Period: June 2011

# District	Project	Financial & Schedule Impacts	Additional Funds Approved	Additional Funds as % of Total Project Budget	Operating Authority Approval Requirement	Description of Revision
No New Data to Report						

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)



Active Project Report - SDA Districts

Reporting Period: 2nd Quarter 2011

#	District	Project Name	Project Phase	Next Key Milestone	Date of Next Key Milestone	Status of Next Key Milestone	Occupancy Date	Status of Occupancy Date	Approved Project Budget	Remaining Contingency	Project Charter Increases ¹
New Construction											
1	Bridgeton	New Cherry Street E.S.	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	\$ -
2	Camden	Dudley E.S.	Construction	Project Close-Out	Jul-11	On-target	Sep-09	Occupied	\$ 44,236,504	\$ 350,922	\$ 1,400,000
3	Camden	HB Wilson E.S.	Construction	Final Completion (C of O)	Jun-11	Behind Schedule	Sep-09	Occupied	\$ 35,860,566	\$ -	\$ 2,250,000
4	Camden	Morgan Village M.S.	Construction	Substantial Completion (TCO)	Jun-11	On-target	Sep-11	On-target	\$ 40,097,376	\$ 897,729	\$ 3,600,000
5	East Orange	New E.S. #5	Construction	Project Close-Out	Sep-11	On-target	Jan-10	Occupied	\$ 42,164,836	\$ 700,807	\$ -
6	Elizabeth	Academic H.S.	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	\$ -
7	Elizabeth	Number 21, Victor Mravlag E.S.	Construction	Substantial Completion (TCO)	May-12	At-risk	Sep-12	At-risk	\$ 40,250,458	\$ 1,324,860	\$ 8,400,000
8	Jersey City	E.S. #3	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	\$ -
9	Jersey City	P.S. #20	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	\$ -
10	Long Branch	George L. Catrambone (formerly Elberon)	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	\$ -
11	Long Branch	Long Branch H.S.	Construction	Final Completion (C of O)	Jul-11	On-target	Sep-07	Occupied	\$ 91,622,576	\$ 636,186	\$ -
12	Newark	Oliver Street E.S.	TBD	TBD	TBD	TBD	Jun-12	TBD	TBD	TBD	\$ -
13	Newark	Park School	Construction	Project Close-Out	Jun-11	On-target	Jan-10	Occupied	\$ 51,640,262	\$ 820,989	\$ 975,000
14	Newark	Speedway Avenue E.S.	Construction	Project Close-Out	Jun-11	On-target	Oct-09	Occupied	\$ 48,851,897	\$ -	\$ -
15	New Brunswick	A. Chester Redshaw E.S.	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	\$ -
16	Passaic	E.S. at Main Avenue	Construction	Project Close-Out	Sep-11	On-target	Dec-09	Occupied	\$ 62,629,607	\$ 1,512,247	\$ 5,322,000
17	Passaic	New E.S. @ Henry Street	Construction	Substantial Completion (TCO)	Jun-12	On-target	Sep-12	On-target	\$ 45,464,204	\$ 926,019	\$ -
18	Paterson	International H.S. Academy	Construction	Final Completion (C of O)	Sep-11	On-target	Sep-08	Occupied	\$ 56,949,726	\$ 911,905	\$ 1,650,281
19	Paterson	New E.S. @ Marshall & Hazel	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	\$ -
20	Paterson	E.S. #16	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	\$ -
21	Pemberton	ECC #1	Construction	Substantial Completion (TCO)	Jul-11	On-target	Sep-11	On-target	\$ 29,748,937	\$ 2,177,835	\$ -
22	Perth Amboy	ECC II	Construction	Project Close-Out	Sep-11	On-target	Sep-09	Occupied	\$ 31,775,753	\$ 531,022	\$ 1,676,968
23	Trenton	MLK/Jefferson School	Construction	Project Close-Out	Sep-11	On-target	Sep-10	Occupied	\$ 68,171,287	\$ 757,859	\$ -
24	Union City	Columbus E.S. #3 (Replacement)	Construction	Substantial Completion (TCO)	Jul-11	On-target	Sep-11	On-target	\$ 46,203,896	\$ 4,043,971	\$ -

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)



Active Project Report - SDA Districts

Reporting Period: 2nd Quarter 2011

#	District	Project Name	Project Phase	Next Key Milestone	Date of Next Key Milestone	Status of Next Key Milestone	Occupancy Date	Status of Occupancy Date	Approved Project Budget	Remaining Contingency	Project Charter Increases ¹
25	West New York	Harry L. Bain E.S.	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	-
26	West New York	West New York P.S. #3	Construction	Substantial Completion (TCO)	Nov-11	On-target	Jan-11	Occupied	\$ 66,303,105	\$ 267,071	\$ 3,551,709

Additions/Renovations

1	Bridgeton	Bridgeton Senior H.S.	Construction	Project Close-Out	Aug-11	On-target	Sep-09	Occupied	\$ 7,838,288	\$ 26,701	\$ 200,000
2	Burlington City	Burlington City H.S.	Construction	Project Close-Out	Sep-11	On-target	Aug-08	Occupied	\$ 56,098,109	\$ 13,402	\$ 1,093,873
3	Camden	Camden H.S. Façade	Construction	Post Occupancy Walk Through	Aug-11	On-target	N/A	N/A	\$ 4,119,607	\$ 766,886	-
4	Jersey City	P.S. #34	Construction	Project Close-Out	Dec-11	On-target	Sep-08	Occupied	\$ 10,360,015	\$ 86,776	-
5	Neptune	Sr. H.S./ Aquatic Center	Construction	Project Close-Out	Jun-11	On-target	N/A	N/A	\$ 6,681,181	-	-
6	Orange	Lincoln Ave E.S.	Construction	Final Completion (C of O)	Aug-11	On-target	Sep-10	Occupied	\$ 51,103,403	\$ 198,807	\$ 2,950,000
7	Orange	Park Avenue E.S.	Construction	Project Close-Out	Sep-11	On-target	Sep-09	Occupied	\$ 37,229,600	\$ 84,897	\$ 1,910,000
8	Paterson	E.S. #24	Construction	Project Close-Out	Sep-11	On-target	Sep-08	Occupied	\$ 30,186,210	\$ 30,261	\$ 2,888,000
9	Paterson	Roberto Clemente Annex	Construction	Project Close-Out	Sep-11	On-target	Jan-10	Occupied	\$ 3,517,003	\$ 4,647	-
10	West New York	West New York MS Track Repair	Construction	Bid and Award	Jun-11	On-target	N/A	N/A	\$ 1,805,000	\$ 80,000	-

Emergent

1	Newark	Avon E.S. (Emergent)	Construction	Substantial Completion (TCO)	Jun-11	On-target	N/A	N/A	\$ 526,424	\$ 58,050	-
2	Newark	Barringer H.S. (Emergent)	Construction	Final Completion (C of O)	Jun-11	On-target	N/A	N/A	\$ 460,843	\$ 60,650	-
3	Newark	East Side H.S. (Emergent)	Construction	Substantial Completion (TCO)	Jun-11	On-target	N/A	N/A	\$ 1,948,036	\$ 205,875	-
4	Newark	Shabazz H.S. (Emergent)	Construction	Substantial Completion (TCO)	Jun-11	On-target	N/A	N/A	\$ 3,059,437	\$ 302,214	-
5	Newark	Weequahic H.S. (Emergent)	Construction	Substantial Completion (TCO)	Jun-11	On-target	N/A	N/A	\$ 2,013,202	\$ 178,561	-
6	Newark	Bragaw Avenue E.S. (Emergent)	Construction	Substantial Completion (TCO)	Jun-11	On-target	N/A	N/A	\$ 798,555	\$ 75,857	-
7	Newark	Horton E.S. (Emergent)	Construction	Construction Start (NTP)	Jun-11	On-target	N/A	N/A	\$ 941,060	\$ 106,613	-
8	Newark	Roberto Clemente E.S. (Emergent)	Construction	Substantial Completion (TCO)	Jun-11	On-target	N/A	N/A	\$ 1,286,701	\$ 148,800	-
9	Newark	South Street E.S. (Emergent)	Construction	Substantial Completion (TCO)	Jun-11	On-target	N/A	N/A	\$ 1,330,808	\$ 95,809	-

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)



Active Project Report - ROD Districts

Reporting Period: 2nd Quarter 2011

#	District	Project Name	Project Phase	Next Key Milestone	Date of Next Key Milestone	Status of Next Key Milestone	Occupancy Date	Status of Occupancy Date	Approved Project Budget	Remaining Contingency	Project Charter Increases ¹
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New Construction

1	Barnegat	New E.S.	Construction	Project Close-Out	Sep-11	On-target	Sep-08	Occupied	\$ 17,666,746	\$ 352,898	\$ -
2	Buena Regional	New M.S.	Construction	Project Close-Out	Jul-11	On-target	Jan-10	Occupied	\$ 21,948,035	\$ 415,079	\$ -
3	Egg Harbor City	New M.S.	Construction	Final Completion (C of O)	Jun-11	Behind Schedule	Nov-10	Occupied	\$ 15,169,682	\$ 143,294	\$ 818,071
4	Greater Egg Harbor	New H.S.	Construction	Final Completion (C of O)	Jun-11	On-target	Sep-10	Occupied	\$ 54,983,443	\$ 907,723	\$ -

Additions/Renovations

1	Barnegat	Cecil S. Collins E.S.	Construction	Project Close-Out	Sep-11	On-target	Sep-08	Occupied	\$ 2,295,759	\$ 56,084	\$ -
2	Barnegat	New Barnegat H.S.	Construction	Project Close-Out	Sep-11	On-target	Sep-08	Occupied	\$ 11,537,685	\$ 622,156	\$ -
3	Barnegat	Horbelt E.S.	Construction	Project Close-Out	Sep-11	On-target	Sep-09	Occupied	\$ 5,384,375	\$ 320,302	\$ 467,861
4	Barnegat	Lillian M. Dunfee E.S.	Construction	Project Close-Out	Sep-11	On-target	Sep-09	Occupied	\$ 9,882,459	\$ 194,822	\$ 604,665
5	Barnegat	Russell O. Brackman M.S.	Construction	Project Close-Out	Sep-11	On-target	Sep-08	Occupied	\$ 15,636,261	\$ 557,092	\$ -
6	Egg Harbor City	Charles L. Spragg E.S.	Construction	Project Close-Out	Jul-11	On-target	Sep-09	Occupied	\$ 1,787,580	\$ 7,009	\$ -
7	Egg Harbor Twp	Egg Harbor Twp H.S. Phase I	Construction	Final Completion (C of O)	Sep-11	On-target	Sep-10	Occupied	\$ 20,723,417	\$ 806,083	\$ -
8	Egg Harbor Twp	Egg Harbor Twp H.S. Phase II	Construction	Substantial Completion	Jun-11	On-target	Jan-11	On-target	\$ 23,827,527	\$ 927,985	\$ -

CONTRACTS EXECUTED/AMENDMENTS REPORT



STATE OF NEW JERSEY

SCHOOLS DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Program Director

DATE: July 6, 2011

SUBJECT: Contracts Executed Report and Amendments & Change Orders Report
(For Informational Purposes Only)

Contracts Executed Report

- This report contains the activity of contracts executed during the period May 1 through May 31, 2011.

Noteworthy Items during the reporting period:

- Execution of 1 contract for construction for the Camden Raphael Cordero Molina ES Emergent Project.
 - Epic Mechanical, Inc. - \$2,498,000
- Execution of 1 contract for commissioning services for the Pemberton New ECC #1 project.
 - Concord Engineering Group Inc. - \$17,600

Amendments & Change Orders Report

- This report contains the activity of Amendments and Change Orders executed during the period May 1 through May 31, 2011.

Noteworthy Items during the reporting period:

- Execution of 8 Design Amendments totaling a credit of \$107k of which one received board approval for a credit of \$249,219.
- Execution of 15 Construction Services Change Orders totaling \$7k of which two received board approval for a credit of 13,764..



New Jersey Schools Development Authority Contracts Executed Report

Report Period 5/1/11 through 5/31/11

District	School Name(s)	Project Type	Contract Type	Contract Number	Vendor	MWSBE Cert(s)	Contract Award Amount	Contract Execution Date	Per School CCE	Total CCE
Part 2. Construction Services										
Contractor										
Camden City	Raphael Cordero Molina E.S.	Reno	Construction	EP-0056-C01	Epic Mechanical, Inc.	S	\$2,498,000	5/31/11	2,505,978	\$2,505,978
Contractor										
Part 2. Construction Services							\$2,498,000			\$2,505,978

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)

Report Period 5/1/11 through 5/31/11

District	School Name(s)	Project Type	Contract Type	Contract Number	Vendor	MWSBE Cert(s)	Contract Award Amount	Contract Execution Date	Per School CCE	Total CCE
Part 4. Other Contracts & Services										
Others										
Pemberton Township	Pemberton ECC #1	New	General	WT-0001-R06	Concord Engineering Group Inc.	S	\$17,600	5/27/11	-	
Others										
Part 4. Other Contracts & Services							\$17,600			

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)

Report Period 5/1/11 through 5/31/11

	Total Contract Award	Total Contracts Awarded
Grand Totals - Professional and Construction Services Combined	\$2,515,600	2

** Contracts less than \$10,000 are not displayed

Project Types Legend

HS	Heath & Safety
New	New Construction
Add	Addition
RenoAdd	Addition & Renovation
Reno	Renovation

Contract Types Legend

Acquisition	Property Acquisition Related Costs
Appraisal	Appraisal, Appraisal Review, NRE
Construction	Construction
Design	Design or Site Investigation
DB	Design-Build
E-Rate	E-Rate
FFE	Furniture, Fixtures, and Equipment
General	General Program Cost
Legal	Legal
Material	Material Supply
ProjectMgmt	Project Management Firm
PreDevelopment	Predevelopment or Demolition
Relocation	Relocation Services
SiteInvstgtn	Site Investigation
Testing	Testing
Title	Title Services
Utilities	Utilities Services

MWSBE Certifications

M = Minority Business Enterprise
W = Women Business Enterprise
S = Small Business Enterprise

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)



**New Jersey Schools Development Authority
Amendments & Change Orders Report**

Reporting Period 5/1/11 through 5/31/11

District	School Name(s)	Contract Number	Contract Execution Date	CO #	Vendor Name	CO Execution Date	Contract Award Amount	Prior CO's (cumulative)	Prior Board Approval Date (if necessary)	Current CO Amount	Board Approval Required	Board Approval Date	Revised Contract Amount	Cumulative CO %	RBC Value	Cumulative % since last Board Approval
Professional Services & Grants																
Design Consultant																
Camden City	Morgan Village M.S.	CA-0010-A01	6/18/03	7	Rothe-Johnson-Fantacone	5/6/11	\$1,655,000	\$498,412	4/25/11	\$91,875			\$2,245,287	35.66%	\$1,655,000	7.04%
Camden City	Morgan Village M.S.		6/18/03	8	Rothe-Johnson-Fantacone	5/6/11	\$1,655,000	\$434,370	3/4/08	\$64,042			\$2,153,412	30.11%	\$1,655,000	3.86%
Cumberland Regional District	Cumberland Regional H.S.	ST-0022-A01	6/30/04	5	DLR Group Architects & Engineers Inc.	5/6/11	\$1,419,377	\$472,550	4/1/08	\$6,000			\$1,897,927	33.71%	\$1,419,377	1.09%
Jersey City	Number 34 E.S.	JE-0034-A01	12/16/04	8	Ives Group, Architects/Planners	5/10/11	\$737,412	\$199,793	5/6/08	\$-33,878			\$903,326	22.49%	\$737,412	-2.69%
Jersey City	Number 34 E.S.		12/16/04	9	Ives Group, Architects/Planners	5/10/11	\$737,412	\$200,480	5/6/08	\$-479			\$937,413	27.12%	\$737,412	-2.76%
Jersey City	Number 34 E.S.		12/16/04	10	Ives Group, Architects/Planners	5/10/11	\$737,412	\$200,001	5/6/08	\$-208			\$937,205	27.09%	\$737,412	-2.78%
Neptune Township	Midtown Community Elementary School	ET-0013-A01	7/2/02	18	SSP Architectural Group, Inc.	5/23/11	\$1,281,039	\$617,709	6/3/08	\$-249,219	Yes	4/6/11	\$1,649,529	28.76%	\$1,281,039	-175.57%
Newark	McKinley E.S.	NE-0015-A01	7/31/03	9	John Ciardullo Associates, P.C.	5/23/11	\$486,808	\$192,970	5/8/08	\$14,850			\$694,628	42.69%	\$486,808	13.37%
Design Consultant																
Site Acquisition																
Asbury Park	New Early Childhood Center (-x02)	ET-0038-L08	4/15/05	27	Verizon of New Jersey, Inc.	5/16/11	\$1,399	\$2,137		\$60			\$3,595	157.07%	\$1,399	157.07%
New Brunswick	Temporary School	ET-0071-L01	6/30/04	23	30 Van Dyke Avenue, Urban Renewal	5/11/11	\$27,085,720	\$2,119,839		\$70,061			\$29,275,620	8.08%	\$28,104,631	4.16%
Paterson	New PS# 16	PA-0024-L07	1/4/06	31	City of Paterson	5/17/11	\$0	\$54,674		\$-410			\$54,264	0.00%	\$0	NA
Site Acquisition																
Site Investigation																
Jersey City	PS Number 20	JE-0010-L28	2/18/08	2	Treasurer, State of NJ	5/25/11	\$1,020	\$10		\$30			\$1,060	3.92%	\$1,020	3.92%
Camden	Fetters E.S./Lanning Square	GP-0084-L05	2/29/08	58	Langan Engineering & Environmental Services, Inc.	5/11/11	\$0	\$2,287,353		\$43,928			\$2,331,281	0.00%	\$0	NA
Newark	Avon Avenue E.S.	GP-0084-L06	1/18/08	39	Louis Berger Group (The)	5/10/11	\$0	\$1,962,914		\$-124			\$1,962,790	0.00%	\$0	NA
Newark	William H. Brown Academy		1/18/08	40	Louis Berger Group (The)	5/10/11	\$0	\$1,962,790		\$-2,090			\$1,960,700	0.00%	\$0	NA
Newark	Bragaw Avenue E.S.		1/18/08	41	Louis Berger Group (The)	5/16/11	\$0	\$1,960,700		\$-15			\$1,960,685	0.00%	\$0	NA
Newark	Dr. William H. Horton E.S.		1/18/08	42	Louis Berger Group (The)	5/16/11	\$0	\$1,960,685		\$-1,705			\$1,958,979	0.00%	\$0	NA



NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)

Reporting Period 5/1/11 through 5/31/11

District	School Name(s)	Contract Number	Contract Execution Date	CO #	Vendor Name	CO Execution Date	Contract Award Amount	Prior CO's (cumulative)	Prior Board Approval Date (if necessary)	Current CO Amount	Board Approval Required	Board Approval Date	Revised Contract Amount	Cumulative CO %	RBC Value	Cumulative % since last Board Approval
Professional Services & Grants																
Site Investigation																
Paterson	Roberto Clemente E.S.	GP-0084-L06	1/18/08	43	Louis Berger Group (The)	5/16/11	\$0	\$1,958,979		\$-41			\$1,958,939	0.00%	\$0	NA
Newark	Warren Street E.S.		1/18/08	44	Louis Berger Group (The)	5/16/11	\$0	\$1,958,939		\$-520			\$1,958,418	0.00%	\$0	NA
Newark	Oliver Street E.S.	NE-0013-L51	1/1/09	1	Treasurer, State of NJ	5/9/11	\$0	\$0		\$970			\$970	0.00%	\$0	NA
Newark	Oliver Street E.S.		1/1/09	2	Treasurer, State of NJ	5/9/11	\$0	\$970		\$310			\$1,280	0.00%	\$0	NA
Paterson	Number 24 E.S.	PA-0019-L22	6/1/10	1	Treasurer, State of NJ	5/25/11	\$0	\$0		\$550			\$550	0.00%	\$0	NA
Plainfield	Clinton E.S.	ET-0007-L30	4/20/10	1	Treasurer, State of NJ	5/25/11	\$0	\$0		\$550			\$550	0.00%	\$0	NA
Site Investigation																
Others																
Asbury Park	New Early Childhood Center (-x02)	ET-0038-L06	4/15/05	38	JCP&L	5/20/11	\$8,060	\$5,441		\$71			\$13,572	68.38%	\$8,060	68.38%
Bellmawr Borough	Bell Oaks E.S.	G5-3140-D01	11/11/09	1	District - Bellmawr Borough	5/16/11	\$31,371	\$0		\$-5,040			\$26,331	-16.06%	\$31,371	-16.06%
Bellmawr Borough	Bellmawr Park E.S.	G5-3141-D01	11/11/09	1	District - Bellmawr Borough	5/16/11	\$26,143	\$0		\$-3,263			\$22,880	-12.48%	\$26,143	-12.48%
Bellmawr Borough	Ethel M. Burke E.S.	G5-3142-D01	11/11/09	1	District - Bellmawr Borough	5/16/11	\$31,371	\$0		\$-6,896			\$24,475	-21.98%	\$31,371	-21.98%
Bloomfield Township	Bloomfield H.S.	G5-3725-D01	10/21/09	1	District - Bloomfield Township	5/16/11	\$531,850	\$0		\$-208,392			\$323,458	-39.18%	\$531,850	-39.18%
Camden City	Fetters E.S./Lanning Square	CA-0018-L64	11/19/10	1	City of Camden / Water Department	5/20/11	\$20	\$0		\$35			\$55	171.65%	\$20	171.65%
Eastern Camden County Regional	Eastern Intermediate H.S.	G5-3433-D01	6/11/10	1	District - Eastern Camden County Regional	5/18/11	\$39,040	\$0		\$-9,233			\$29,807	-23.65%	\$39,040	-23.65%
Eastern Camden County Regional	Eastern Intermediate H.S.	G5-3434-D01	6/11/10	1	District - Eastern Camden County Regional	5/18/11	\$119,560	\$0		\$-51,362			\$68,198	-42.95%	\$119,560	-42.95%
Eastern Camden County Regional	Eastern H.S.	G5-3791-D01	6/11/10	1	District - Eastern Camden County Regional	5/18/11	\$88,343	\$0		\$-14,451			\$73,892	-16.35%	\$88,343	-16.35%
Eastern Camden County Regional	Eastern H.S.	G5-3793-D01	6/11/10	1	District - Eastern Camden County Regional	5/18/11	\$9,760	\$0		\$-2,714			\$7,046	-27.80%	\$9,760	-27.80%
Garfield	James Madison School #10 (Most Holy Name)	NT-0014-L18	1/16/08	4	PSE&G	5/6/11	\$188	\$144		\$14			\$346	83.68%	\$188	83.68%
Garfield	James Madison School #10 (Most Holy Name)		1/16/08	5	PSE&G	5/6/11	\$188	\$158		\$23			\$368	95.63%	\$188	95.63%
Garfield	James Madison School #10 (Most Holy Name)		1/16/08	6	PSE&G	5/20/11	\$188	\$180		\$23			\$391	107.79%	\$188	107.79%
Garfield	James Madison School #10 (Most Holy Name)		1/16/08	7	PSE&G	5/25/11	\$188	\$203		\$-35			\$357	89.37%	\$188	89.37%
Keansburg Borough	New ECC PK-2 (Caruso)	ET-0030-L08	1/1/09	7	JCP&L	5/27/11	\$49	\$409		\$18			\$476	881.37%	\$49	881.37%
Keansburg Borough	New ECC PK-2 (Caruso)		1/1/09	8	JCP&L	5/27/11	\$49	\$428		\$33			\$509	948.98%	\$49	948.98%

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)

Reporting Period 5/1/11 through 5/31/11

District	School Name(s)	Contract Number	Contract Execution Date	CO #	Vendor Name	CO Execution Date	Contract Award Amount	Prior CO's (cumulative)	Prior Board Approval Date (if necessary)	Current CO Amount	Board Approval Required	Board Approval Date	Revised Contract Amount	Cumulative CO %	RBC Value	Cumulative % since last Board Approval
Professional Services & Grants																
Others																
Manchester Township	Manchester Township H.S.	ET-0020-G01	5/6/11	1	District - Manchester Township	5/17/11	\$0	\$0		\$-1,014			\$-1,014	0.00%	\$0	NA
Multi-District, Project, or Statewide	Cedar Creek High School Columbus Elementary School (aka New ES) Dr. William H. Horton E.S. Early Learning Center at 14th (aka Rutland Center) East Camden M.S. ECC Leonard Place & Madison St Egg Harbor Township H.S. H. B. Wilson E.S. Manchester Township H.S. Morgan Village M.S. New H.S. (-x03) New International High School Academy New Middle School New Science Park HS Number 21, Victor Mravlag E.S. Pemberton ECC #1 Trenton Central H.S.	GP-0003-R01	4/10/01	3	New Jersey Dept. of Community Affairs	5/25/11	\$18,775,771	\$295,922		\$21,888			\$19,093,580	1.69%	\$18,775,771	1.69%
Multi-District, Project, or Statewide	Adverts As Contracts	GP-0004-R01	4/12/01	12	Star Ledger Newspaper	5/12/11	\$130,907	\$106		\$160			\$131,173	0.20%	\$130,907	0.20%
Multi-District, Project, or Statewide	Adverts As Contracts		4/12/01	13	Star Ledger Newspaper	5/26/11	\$130,907	\$266		\$46			\$131,219	0.23%	\$130,907	0.23%
Multi-District, Project, or Statewide	Adverts As Contracts	GP-0004-R02	4/12/01	10	Times Newspaper (The)---(Adverts)	5/26/11	\$62,132	\$61		\$19			\$62,212	0.12%	\$62,132	0.12%
Multi-District, Project, or Statewide	Midtown Community Elementary School New Central High School (#x3) New Science Park HS	GP-0063-R04	7/13/06	1	Resolution Management Consultants Inc.	5/16/11	\$3,249,696	\$0		\$-19			\$3,249,677	0.00%	\$3,249,696	0.00%
Neptune Township	Midtown Community Elementary School	GP-0089-R10	8/28/08	5	Schenck, Price, Smith & King, LLP	5/9/11	\$38,000	\$100,041		\$10,648			\$148,689	291.28%	\$38,000	291.28%
Newark	Speedway Ave. ES Replacement		8/28/08	6	Schenck, Price, Smith & King, LLP	5/16/11	\$38,000	\$110,689		\$-2,900			\$145,789	283.65%	\$38,000	283.65%
Newark	West Side H.S.	NE-0008-L56	7/1/04	14	City of Newark	5/20/11	\$2,512	\$4,235		\$49			\$6,796	170.48%	\$2,512	170.48%
Newark	West Side H.S.	NE-0070-L22	4/8/10	38	PSE&G	5/9/11	\$22	\$3,163		\$-8			\$3,176	14,632.88	\$22	14632.88%
Newark	West Side H.S.		4/8/10	39	PSE&G	5/20/11	\$22	\$3,678		\$-59			\$3,641	16,788.72	\$22	14360.76%

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)

Reporting Period 5/1/11 through 5/31/11

District	School Name(s)	Contract Number	Contract Execution Date	CO #	Vendor Name	CO Execution Date	Contract Award Amount	Prior CO's (cumulative)	Prior Board Approval Date (if necessary)	Current CO Amount	Board Approval Required	Board Approval Date	Revised Contract Amount	Cumulative CO %	RBC Value	Cumulative % since last Board Approval
Professional Services & Grants																
Others																
Newark	West Side H.S.	NE-0070-L22	4/8/10	40	PSE&G	5/20/11	\$22	\$3,620		\$-91			\$3,550	16,365.49	\$22	13937.52%
Newark	West Side H.S.		4/8/10	41	PSE&G	5/20/11	\$22	\$3,155		\$61			\$3,238	14,917.30	\$22	14221.93%
Newark	West Side H.S.		4/8/10	42	PSE&G	5/20/11	\$22	\$3,216		\$169			\$3,406	15,699.07	\$22	15003.71%
Newark	West Side H.S.		4/8/10	43	PSE&G	5/20/11	\$22	\$3,385		\$294			\$3,700	17,060.85	\$22	16365.49%
Paramus	Memorial E.S.	G5-1352-D01	11/6/03	1	District - Paramus	5/5/11	\$59,200	\$0		\$-36,148			\$23,052	-61.06%	\$59,200	-61.06%
Paterson	New International High School Academy	PA-0008-R04	3/1/09	6	Paterson Public Schools	5/17/11	\$177,221	\$47,257		\$10,065			\$234,543	32.34%	\$177,221	32.34%
Quinton Township	Quinton Township E.S.	G5-3643-D01	12/30/09	1	District - Quinton Township	5/18/11	\$328,741	\$0		\$-41,150			\$287,591	-12.51%	\$328,741	-12.51%
Somerville Borough	Somerville M.S.	G5-2231-D01	4/22/05	1	District - Somerville Borough	5/24/11	\$6,520,000	\$0		\$-42,363			\$6,477,637	-0.64%	\$6,520,000	-0.64%
Trenton	Roebbling School	WT-0008-L06	2/3/04	107	PSE&G	5/27/11	\$30,574	\$14,988		\$99			\$45,660	49.34%	\$30,574	49.34%
Trenton	Roebbling School		2/3/04	108	PSE&G	5/27/11	\$30,574	\$15,087		\$323			\$45,983	50.40%	\$30,574	50.40%
Ventnor City	Ventnor E.S.	G5-2940-D01	11/17/09	1	District - Ventnor City	5/24/11	\$144,231	\$0		\$250			\$144,482	0.17%	\$144,231	0.17%
Ventnor City	Ventnor E.S.	G5-2942-D01	11/17/09	1	District - Ventnor City	5/24/11	\$493,814	\$0		\$-6,691			\$487,123	-1.35%	\$493,814	-1.35%
West New York	Harry L. Bain E.S.	HU-0005-L06	11/16/06	39	PSE&G	5/27/11	\$7,568	\$6,080		\$110			\$13,758	81.79%	\$7,568	10.53%
West New York	Number 3 E.S.	HU-0006-L30	3/3/04	1	United Water New Jersey	5/27/11	\$25	\$0		\$593			\$618	2,368.94%	\$25	2368.94%
West New York	Number 3 E.S.	HU-0006-L43	4/15/11	1	PSE&G	5/23/11	\$819	\$0		\$5,941			\$6,760	725.55%	\$819	725.55%
Others																
Professional Services & Grants										\$-386,360						

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)

Reporting Period 5/1/11 through 5/31/11

District	School Name(s)	Contract Number	Contract Execution Date	CO #	Vendor Name	CO Execution Date	Contract Award Amount	Prior CO's (cumulative)	Prior Board Approval Date (if necessary)	Current CO Amount	Board Approval Required	Board Approval Date	Revised Contract Amount	Cumulative CO %	RBC Value	Cumulative % since last Board Approval
Construction Services																
Contractor																
Camden City	Morgan Village M.S.	CA-0010-C01	1/14/09	46	Chanree Construction Co Inc	5/12/11	\$20,997,000	\$1,967,926	7/22/09	\$-74,000			\$22,890,926	9.01%	\$20,997,000	3.07%
City Of Orange Township	Orange M.S.	HS-0091-C01	9/11/02	18	Austin Helle Co., Inc.	5/16/11	\$3,214,500	\$646,316	11/15/04	\$-100			\$3,860,716	20.10%	\$3,860,816	0.00%
Egg Harbor Township	Egg Harbor Township H.S.	ET-0087-C01	6/18/08	49	Tamburro Bros. Const. Co., Inc	5/6/11	\$16,990,000	\$508,247		\$22,643			\$17,520,891	3.12%	\$16,990,000	3.12%
Egg Harbor Township	Egg Harbor Township H.S.	ET-0087-C02	10/16/08	12	Sambe Construction Co Inc	5/6/11	\$26,172,173	\$840,785	10/23/09	\$948			\$27,013,906	3.21%	\$26,172,173	1.86%
Egg Harbor Township	Egg Harbor Township H.S.		10/16/08	74	Sambe Construction Co Inc	5/6/11	\$26,172,173	\$841,733	10/23/09	\$10,475			\$27,024,380	3.25%	\$26,172,173	1.90%
Egg Harbor Township	Egg Harbor Township H.S.		10/16/08	97	Sambe Construction Co Inc	5/6/11	\$26,172,173	\$853,688	10/23/09	\$1,356			\$27,027,217	3.26%	\$26,172,173	1.91%
Egg Harbor Township	Egg Harbor Township H.S.		10/16/08	99	Sambe Construction Co Inc	5/6/11	\$26,172,173	\$855,044	10/23/09	\$5,565			\$27,032,782	3.28%	\$26,172,173	1.93%
Egg Harbor Township	Egg Harbor Township H.S.		10/16/08	101	Sambe Construction Co Inc	5/6/11	\$26,172,173	\$867,106	10/23/09	\$11,244			\$27,050,524	3.35%	\$26,172,173	2.00%
Greater Egg Harbor Regional High School District	Cedar Creek High School	ET-0089-C01	8/8/08	55	Terminal Construction Corp.	5/17/11	\$59,850,000	\$1,795,182	5/17/10	\$11,067			\$61,656,249	3.01%	\$59,850,000	0.51%
Long Branch	New H.S. (-x03)	ET-0010-C01	1/30/04	365	Hunt Construction Group, Inc.	5/6/11	\$60,117,000	\$12,376,667	2/25/11	\$50,644	Yes	4/6/11	\$72,544,311	20.67%	\$60,117,000	0.08%
Newark	Barringer H.S.	EP-0010-C01	10/13/10	2	Catcord Construction Co Inc	5/3/11	\$311,000	\$0	3/23/11	\$-14,000			\$297,000	-4.50%	\$311,000	-4.50%
Newark	East Side H.S.	EP-0016-C01	10/28/10	1	Grafas Painting Contrs Inc. T/A GPC, Inc.	5/10/11	\$1,430,000	\$0		\$7,958			\$1,437,958	0.55%	\$1,430,000	0.55%
Paterson	Early Learning Center at 14th (aka Rutland Center)	EP-0025-C01	7/16/10	2	Grafas Painting Contrs Inc. T/A GPC, Inc.	5/23/11	\$215,000	\$2,485		\$4,006			\$221,491	3.01%	\$215,000	3.01%
Trenton	Trenton Central H.S.	EP-0044-C01	11/30/09	1	Grafas Painting Contrs Inc. T/A GPC, Inc.	5/23/11	\$177,114	\$0		\$-64,408	Yes	4/6/11	\$112,706	-36.36%	\$177,114	-36.36%
Union City (Hudson Co.)	Columbus Elementary School (aka New ES)	HU-0012-C01	9/25/09	17	Chanree Construction Co Inc	5/23/11	\$25,276,828	\$548,739		\$34,135			\$25,859,702	2.30%	\$25,276,828	2.30%
Contractor																
Construction Services										\$7,534						

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)

Reporting Period 5/1/11 through 5/31/11

District	School Name(s)	Contract Number	Contract Execution Date	CO #	Vendor Name	CO Execution Date	Contract Award Amount	Prior CO's (cumulative)	Prior Board Approval Date (if necessary)	Current CO Amount	Board Approval Required	Board Approval Date	Revised Contract Amount	Cumulative CO %	RBC Value	Cumulative % since last Board Approval
Other Contracts & Services																
Appraisals																
Passaic City	ECC Leonard Place & Madison St	NT-0021-L19	9/22/06	20	Integra Krauser & Cirz	5/10/11	\$19,000	\$69,408		\$12,980			\$101,388	433.62%	\$19,000	433.62%
Camden	Fetters E.S./Lanning Square	ST-0026-L10	8/24/06	16	Harry F. Renwick, Jr. & Associates	5/31/11	\$0	\$50,183		\$1,425			\$51,608	0.00%	\$0	NA
Appraisals																
Others																
Newark	Speedway Ave. ES Replacement	GP-0041-L06	12/3/07	26	Valley National Title Services, agent for Lawyers	5/6/11	\$0	\$12,835		\$780			\$13,615	0.00%	\$0	NA
Bridgeton	Cherry Street E.S.		12/3/07	27	Valley National Title Services, agent for Lawyers	5/6/11	\$0	\$13,615		\$365			\$13,980	0.00%	\$0	NA
Paterson	New PS# 16	GP-0041-L08	7/11/08	22	Madison Title Agency, LLC, agent for NJ Title Ins.	5/18/11	\$0	\$18,080		\$1,368			\$19,448	0.00%	\$0	NA
Others																
Other Contracts & Services										\$16,918						

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)

Reporting Period 5/1/11 through 5/31/11

Grand Totals	Total Change Order Summary	Total Change Orders
	\$-361,908	85

Column Description Legend

CO Execution Date	Date the Change Order was entered into the SIMS system
Revised Contract Amount	Current value of the contract (excluding additional assignments) including current change order
Cumulative CO %	Cumulative percentage change in contract value (excluding additional assignments) over the original contract award amount
RBC Value	Revised Basis Contract Value – This value is the Original Award amount for contracts executed after July 27, 2005 or contracts for which board approval has been required after July 27, 2005. Otherwise, this value is the contract value as of July 27, 2005.
Cumulative % since last Board Approval	Cumulative percentage change in contract value since either the later of July 27, 2005 or last board action date over the RBC Value. If the current change order received approval prior to July 27, 2005 this value is not applicable.

CONTRACT TERMINATION REPORT (*no activity to report*)

NJSDA Terminated Contracts						
January 1, 2011 through June 9, 2011						
Contract #	School Name	Vendor Type	Vendor	Type of Termination	Scope of Termination	Termination Date
PM-0020-P01	Pemberton - Early Childhood Center #1	PMF	Hill International	Convenience	Termination of single project assignment within a multi-project engagement.	4/4/2011
PM-0022-P01	Egg Harbor Township - High School	PMF	Greyhawk North America, LLC	Convenience	Termination of single project assignment within a multi-project engagement.	4/8/2011
NT-0019-C02	Passaic-Henry Street Elementary Schol	GC	Dobco, Inc.	Convenience	Entire Contract	5/11/2011

SETTLEMENT ACTIVITIES REPORT

Settled Claims Log

Contract #	School Name	Claimant	Type of Claim	Settlement Date	Claim Amount (Per SDA Form 505)	Settlement
ET-0065-C01	Dunfee/Collins Horbelt ES	Hessert Corp.	OCIP Admin. Work	5/2/2011	\$95,368	\$38,000
ET-0065-C01	Dunfee/Collins Horbelt ES	Hessert Corp.	Inconsistencies in Haunched Footing Design	5/2/2011	\$20,271	\$0
ET-0065-C01	Dunfee/Collins Horbelt ES	Hessert Corp.	2nd Shift Work on Dunfee ES	5/2/2011	\$55,948	\$41,367
ET-0064-C01	Donohue ES	Hessert Corp.	Delays assoc. w/design changes	5/2/2011	\$236,204	\$148,650
ET-0064-C01	Donohue ES	Hessert Corp.	Asphalt material escalation	5/2/2011	\$42,465	\$0
ET-0064-C01	Donohue ES	Hessert Corp.	Detention basin design	5/2/2011	\$29,378	\$29,378
CA-0001-C02	Camden ECDC	Henderson Corp.	Re-routing of Fire Sprinkler Piping	5/5/2011	\$44,528	\$23,320
ET-0049-C02	Emerson ES	TAK Construction	Add'l Costs - Design and Dimension Conflicts	5/5/2011	\$78,394	\$37,343
WT-0008-C05	Roebling ES	Cobra/CAP	Demolition/Environmental remediation	5/11/2011	\$2,389,000	\$329,458
			TOTAL FOR 2011		\$2,991,556	\$647,515

JOBS REPORT



STATE OF NEW JERSEY

SCHOOLS DEVELOPMENT AUTHORITY

Monthly Job Created/Saved Report

Reporting Period: May-11

Date Printed 6/23/2011

Summary

In May the NJSDA created 49 and saved 443 direct jobs for a total of 492 direct jobs created or saved.

7

Jobs Created	<u>Total</u>	<u>Minority</u>	<u>Woman</u>
Construction	38	19	0
Construction Managers	0	0	0
Design Consultants	0	0	0
Real Estate & Environmental	11	9	9
Furniture, Fixtures, Technology & Equipment	0	0	0
Total	49	28	9

Jobs Saved	<u>Total</u>	<u>Minority</u>	<u>Woman</u>
Construction	233	55	2
Construction Managers	3	1	1
Design Consultants	58	6	17
Real Estate & Environmental	149	60	75
Furniture, Fixtures, Technology & Equipment	0	0	0
Total	443	122	95

Total Jobs Head Counts	<u>Total</u>	<u>Minority</u>	<u>Woman</u>
Construction	271	74	2
Construction Managers	3	1	1
Design Consultants	58	6	17
Real Estate & Environmental	160	69	84
Furniture, Fixtures, Technology & Equipment	0	0	0
Total	492	150	104

50% Multiplier for Indirect Jobs Impact

246

Total Job Impact

738

CONTRACTOR AND WORKFORCE COMPLIANCE REPORT



STATE OF NEW JERSEY

SCHOOLS DEVELOPMENT AUTHORITY

1 WEST STATE STREET
P.O. BOX 991
TRENTON, NJ 08625-0991
609-943-5955

MEMORANDUM

TO: Members of the Authority

FROM: Karon Simmonds /s/ Karon Simmonds
Director Risk Management and Vendor Services
Office of the Chief Financial Officer

DATE: July 6, 2011

SUBJECT: Contractor and Workforce Compliance Monthly Update

SMALL BUSINESS ENTERPRISE (SBE) COMPLIANCE REVIEW**Project Approvals:**

Two emergent construction projects were verified to be compliant with SBE requirements by the Contractor Compliance Coordinator.

Vendor Services staff continues to participate at mandatory pre-bid and pre-construction meetings to instruct and inform bidders regarding SDA's SBE goals, policies and procedures, including:

- Small Business Enterprise subcontracting goal of 25% of all contracts
- County workforce goals for minorities and females
- Detailed process procedures to monitor and track the progress made toward these goals throughout the life cycle of each project

At these meetings, general contractors are strongly encouraged to identify and hire minority-owned and women-owned firms, as well as locally-based enterprises, for diverse business participation on all school building projects. Additional outreach strategies are discussed and utilized.

SMALL BUSINESS ENTERPRISE (SBE) COMPLIANCE MONITORING

The SDA regularly exceeds the State-mandated 25% SBE goal. The figures below demonstrate compliance with this requirement.

SBE Breakdown

The total SDA contract dollars awarded from January 1 through April 30, 2011 was \$928,146.

- The total contract dollars awarded to all SBE contractors (January 1 through April 30, 2011), was \$896,544 (including minorities and women). This represents 96.60% of all SDA contracts.

Members of the Authority
 Contractor and Workforce Compliance Monthly Update
 July 6, 2011
 Page 2 of 3

Type of Business Enterprise	Contract Amount	% of Total SDA Contracts
Small Business Enterprises	\$867,122	93.43%
Small Minority Business Enterprises	\$29,422	3.17%
Small/Women Business Enterprises	\$-0-	0.00%
Small/Minority/Women Business Enterprises	\$-0-	0.00%
TOTAL SBE CONTRACTS	\$896,544	96.60%

Ethnic Breakdown

The total SBE contracts awarded with minority participation was \$29,422 equaling 3.17% (includes S/MBEs and S/M/WBEs as shown below).

Ethnicity	Contract Amount	Percentage
American Indian	\$0	0.00%
Asian	\$0	0.00%
Black	\$29,422	3.17%
Hispanic	\$0	0.00%
Total	\$29,422	3.17%

WORKFORCE COMPLIANCE MONITORING

For the month of April, 2011 there was a contractor workforce of 321 on SDA projects. This represents a total of 15,190 contractor workforce hours as follows:

Contractor Workforce Breakdown (All Trades/Districts/Counties)			
Ethnicity	Total Workforce	Total Workforce Hours	Workforce Hours Percentage
Black	27	1,653	10.88%
Hispanic	72	2,791	18.37%
American Indian	0	0	0.00%
Asian	15	438	2.88%
Total Minority Participation	114	4,882	32.14%
Total Non-Minority Participation	207	10,308	67.86%

Members of the Authority
 Contractor and Workforce Compliance Monthly Update
 July 6, 2011
 Page 3 of 3

There was a contractor workforce of 64,730 total workforce hours and 707 total female workforce hours on SDA projects for the period of January 1, 2011 through April 30, 2011. The following table highlights the Local County contractor workforce participation for that period:

Local County Workforce Participation	Workforce Hours	Percentage
*Total Workforce Hours	65,437	100.00%
*Total Local County Workforce Hours	3,098	4.73%
Total Local County Non-Minority Workforce Hours	1,093	1.67%
Total Local County Female Workforce Hours	157	0.24%
Total Local County Minority Workforce Hours	1,848	2.82%
**Local County Workforce Hours by Ethnicity:		
Black	200	0.31%
Hispanic	1,648	2.52%
America Indian	0	0.00%
Asian	0	0.00%

*Total workforce and total local county workforce represent all laborers including females

**Minority breakdown represents Black, Hispanic, American India, and Asian laborers. Minority female laborers are captured as female laborers only and are not included in the minority breakdown.

The following table represents contractor and female workforce for all SDA active capital projects and all active and completed emergent projects for the period of January 1, 2011 through April 30, 2011.

SDA Managed Project	Total Workforce Hours	Local County Workforce Hours & Percentage	
Camden Morgan Village M.S.	14,306	735	5.14%
Elizabeth Victor Mravlag E.S.	4,215	410	9.73%
Passaic City E.S. at Henry St.	7	7	100.00%
Pemberton ECC	13,627	1,536	11.27%
Union City Columbus E.S.	8,084	112	1.39%
West New York Number 3 E.S.	999	0	0.00%
Egg Harbor City E.S. / M.S.	225	48	21.33%
Egg Harbor Township H.S.	7,055	1,117	15.83%
All Emergent Projects (YTD)	11,358	788	6.94%
Totals	59,876	4,753	7.94%

Prepared by: Lorena Young, Contractor Compliance Analyst
 Nicholas Torrens, Contractor Compliance Coordinator

MONTHLY FINANCIAL REPORT (MAY 2011)



STATE OF NEW JERSEY

SCHOOLS DEVELOPMENT AUTHORITY

1 WEST STATE STREET
P.O. BOX 991
TRENTON, NJ 08625-0991
609-943-5955

MEMORANDUM

TO: The Members of the Authority

FROM: Sherman E. Cole
Controller

RE: Monthly Financial Report – May 2011

DATE: June 7, 2011

The Office of the Chief Financial Officer is providing the attached monthly financial report to the Members of the Authority for their information. Included on pages 1 and 2 of this report is a “Financial Summary” of the Authority’s activities for the year. On pages 3 and 4 of the report is a summary of the Authority’s operating expenditures and headcount information. The basic financial statements and cash flow report follow.

Authority Operating Expenses (Actual vs. Budget)

For the May 2011 year to date period, Authority operating expenses total \$17.2 million which is **\$3.8 Million lower** than budget for the corresponding period. The variation of actual expenses versus budget is mainly due to:

- Personnel Expense has a **\$1.7M** positive variance because; 1) the Authority is currently 44 FTEs under budget, \$1.5M, and 2) changes in policy have resulted in cost savings for business travel \$99K, temporary staffing, \$63K, and employee training \$51K;
- Contract and Professional Outside Services, **\$1.5M**, a timing difference between expense incurrence and budget projections for; interagency DAG & OIG fees \$190K, audit fees \$100K, and other professional service cost including capital planning grants and MIS project services \$105K. Outside legal services and claims have been reclassified to project expenditures \$1.1M;
- Management Information System, **\$562K**, timing difference in Hardware and Software expenditures \$58K, and the DOE Long Range Facilities Plan Project \$500K has yet to begin as anticipated;

The Members of the Authority
June 7, 2011
Page 2

Authority Operating Expenses (Actual vs. Prior Year)

For the May 2011 year to date period, Authority operating expenses (\$17.2 million) have **decreased \$1.9M** as compared to the corresponding prior year. The year-over-year expense decrease is due to:

- Contract and Professional Outside Services **\$888K**, spending reductions in internal audit projects \$243K, and interagency fees for OIG, \$113K, offset by additional DAG legal services, (\$53K). Also, outside legal services and claims for the current year have been reclassified to project expenditures, \$618K;
- Personnel Expense has a **\$697K** positive variance due to; 1) 63 fewer FTEs, which resulted to a \$296K reduction in payroll expense, 2) recognized cost savings as a result of the change in the SDA vehicle parking policy \$135K, and 3) a decline in employee spending for temporary staffing \$161K, business travel \$72K, and training & development \$32K;
- General Office **\$214K** – mainly attributable to lower rent (\$168K) and utilities expense (\$14K) due to the Newark office lease termination;
- Management Information System expenses **\$76K** – primarily due to lower system maintenance costs.

School Facilities Project Expenditures (Actual vs. Prior Year)

For the May 2011 year to date period, project expenditures total \$77 million which is **\$53 million lower** than the spending for the corresponding prior year. The variance is associated with a decrease in construction work \$45M, and related project cost \$27M, offset by an increase in payments related to grant agreements (\$19M).

Other

Since program inception, 64.6% of the funds authorized for the SDA Districts have been disbursed. Additionally, since inception 96.2% of all SDA disbursements relate to school facilities projects and 3.8% relate to program administrative and general expenses. For the current year, program administrative and general expenses comprise about 17.3% of total disbursements.

/s/ Sherman E. Cole, CPA

Attachment



**New Jersey Schools Development Authority
Monthly Financial Report**

May 2011

(Unaudited)



New Jersey Schools Development Authority
Financial Summary
May 31, 2011

To: The Audit Committee

From: Sherman E. Cole, Controller

The following unaudited financial statements (pages 5 & 6) and supplementary information is presented as of, and for the year-to-date ending, May 31, 2011.

Selected Financial Information:

► Overall **Cash and Cash Equivalents** has decreased by \$93 million to \$479 million, as follows:

■ Receipt of bond and note proceeds (Issued by EDA)	\$ -
■ Investment earnings	422,243
■ Miscellaneous revenue	102,207
■ Project costs	(76,824,554)
■ SDA operating expenses	(16,049,386)
■ SDA capital expenditures	-
■ Deposits (primarily district local shares)	(758,671)
Net Change in Cash	<u>\$ (93,108,161)</u>

► **Prepaid Expenses** total \$601,404 as follows:

- Prepaid insurance of \$374,334.
- Prepaid rents of \$171,547 for the Authority's leased office space in Trenton and Newark.
- Prepaid MIS maintenance service contracts of \$35,910.
- Prepaid security deposits of \$10,937 for the Authority's leased swing space.
- Other prepaids of \$8,676.

► **Capital Assets** total \$2 million (net of accumulated depreciation of \$11.7 million), consisting of leasehold improvements (SDA offices), capitalized software, equipment, furniture and fixtures in support of SDA operations. Depreciation on capital assets is calculated using the straight-line method over the life of each asset. For the year to date, **Capital Expenditures** are \$0 and **Depreciation Expense** is \$433,895.

► **Accrued Liabilities** total \$158.2 million, as follows:

- Accrued project costs of \$49.7 million consisting of unpaid invoices (\$36.4 million); retainage (\$13.3 million).
- Pollution remediation obligations (PRO) under GASB 49 net to \$36.2 million (PRO liability \$38 million, offset by expected cost recoveries of \$1.8 million).
- Estimated liability for loss contingencies totaling \$61.5 million (contractor claims \$61.5 million).
- Payroll related liabilities of \$1.5 million.
- Post-employment benefits obligation of \$9.1 million.
- Other accrued liabilities of \$2 million.

► **Deposits** total \$11.9 million, as follows:

- \$11.8 million is held for local share agreements (pass-through item).
- \$0.1 million is for bond refunding costs & other deposits (pass-through item).

(Continued on Next Page)



New Jersey Schools Development Authority
Financial Summary
May 31, 2011

Financial Summary (Continued)

School Construction Highlights:

► **Bond Proceeds & School Facilities Project Disbursements**

- During the current year to date, the SDA has received \$0 bond and note proceeds. The total amount of proceeds received from program inception is \$8.645 billion.
- Project disbursements for the month and year-to-date periods total \$9.8 million and \$76.8 million, respectively, as follows:

<u>Category</u>	<u>Month</u>	<u>Year-To-Date</u>	<u>From Inception</u>
■ Construction Contracts	\$ 3,589,515	\$ 21,609,549	\$ 3,651,746,849
■ Grant Agreements	6,020,010	38,839,206	2,210,565,174
■ Site Acquisition Contracts	288,640	2,613,505	560,942,952
■ Demonstration Projects	(964,568)	7,902,262	626,303,578
■ Project Management & Construction Management Firms	212,453	1,370,728	421,661,118
■ Design/Architect Contracts	171,466	1,373,414	391,171,975
■ Project Insurance	200,622	1,857,110	96,481,009
■ School Furniture & Technology Purchases	145,133	1,179,399	103,579,931
■ Interagency Agreements	21,888	384,217	43,986,085
■ Temporary Classroom Units (SDA owned)	-	-	34,157,261
■ Funding Agreements	10,102	60,612	29,415,338
■ Outside Legal & Claims Consulting Services	82,809	370,427	370,427
■ Other Project Costs	(6,775)	(2,390)	55,783,772
■ Project Credits	-	(4,834)	(40,146,574)
Total Project Disbursements	9,771,292	77,553,207	8,186,018,895
■ Less: Local Share Disbursements	(1,713)	(728,653)	(172,350,374)
Total Project Disbursements - State Share	<u>\$ 9,769,579</u>	<u>\$ 76,824,554</u>	<u>\$ 8,013,668,521</u>
■ Invoice Accruals at Month End (not included above)	<u>\$ 36,365,160</u>	<u>\$ 36,365,160</u>	

► **Program Funding & Disbursements Allocation** (From Inception)

	<u>Bonding Cap</u> ¹	<u>Available Funding</u> ²	<u>Paid to Date</u> ³	<u>% Paid to Date</u>
■ SDA Districts	\$ 8,900,000,000	\$ 9,006,057,167	\$ 5,817,204,043	64.6%
■ Regular Operating Districts	3,450,000,000	3,492,636,360	2,416,742,732	69.2%
■ Vocational Schools	150,000,000	151,703,662	94,946,047	62.6%
Totals - State Share	<u>\$ 12,500,000,000</u>	<u>\$ 12,650,397,189</u>	<u>\$ 8,328,892,822</u>	65.8%

► **Procurement Activity** (Current Year)

- 3 construction contract has been awarded with an aggregate contract value of \$3,426,146.
- 2 design contracts were awarded with an aggregate contract value of \$29,530 (CCE \$27,797).
- 0 design contracts previously suspended have been restarted during 2011.
- 208 Section 15 Grant Agreements have been executed with an aggregate contract value of \$55,684,369 (State Share - Non-Abbott schools).
- 13 purchase orders have been issued for school furniture & technology (i.e., computers & related equipment) purchases with an aggregate contract value of \$572,578.

¹ Of the \$12.5 billion authorized for the school construction program, \$8,645,129,000 principal amount of bond and note proceeds have been received to date.

² Includes bonding cap amounts as well as other income and miscellaneous revenue earned to date, consisting primarily of interest income on invested funds and State appropriations.

³ These amounts include the allocation of SDA operating expenses and capital expenditures totaling \$315,224,299.



New Jersey Schools Development Authority
Flash Operating Report
May 31, 2011

7

	Year-To-Date Actual	Year-To-Date Budget	Year-To-Date Prior Yr	Variance - Favorable/(Unfavorable)		Annual Budget
				Actual vs. YTD Budget	Actual vs. Prior Yr	
Authority Operating Expenses:						
Salaries	\$ 8,430,350	\$ 9,791,870	\$ 10,130,448	\$ 1,361,520	\$ 1,700,098	\$ 23,550,466
Employee Benefits	6,691,202	6,800,019	5,286,868	108,817	(1,404,334)	13,006,798
Total Salaries & Benefits	15,121,552	16,591,889	15,417,316	1,470,337	295,764	36,557,264
Temporary Employees		62,500	160,665	62,500	160,665	150,000
Interagency Agreements	93,218	259,585	109,533	166,367	16,315	623,000
Outside Legal & Claims Consulting Services (a)		1,142,085	617,908	1,142,085	617,908	2,741,000
Other Contract & Professional Outside Services	58,716	269,005	312,452	210,289	253,736	595,000
Employee Expense Reimbursements	2,718	101,375	74,356	98,657	71,638	243,298
Training & Professional Development	13,721	64,390	45,531	50,669	31,810	158,109
Parking	23,160	26,250	158,468	3,090	135,308	63,000
Automobiles	24,240	30,085	25,949	5,845	1,709	72,200
Communications & Outreach		6,120	376	6,120	376	14,704
Management Information Systems	442,511	1,004,175	518,867	561,664	76,356	2,410,000
General Office & Facilities	1,456,722	1,525,195	1,678,374	68,473	221,652	3,660,485
Other General	4,772	5,545	5,264	773	492	13,300
Total Authority Operating Expenses	17,241,330	21,088,199	19,125,059	3,846,869	1,883,729	47,301,360
Reserve for Unforeseen Events & New Initiatives	-	52,085	-	52,085	-	125,000
SDA Capital Expenditures (Internal)	-	-	-	-	-	-
Total Authority Operations	\$ 17,241,330	\$ 21,140,284	\$ 19,125,059	\$ 3,898,954	\$ 1,883,729	\$ 47,426,360

(a) Effective 1/1/2011, costs for outside legal & claims consulting services (\$370,427), are accounted for in School Facilities Project Costs (see page 2).

(Continued on Next Page)



New Jersey Schools Development Authority
Flash Operating Report
May 31, 2011

Flash Operating Report (Continued)

SDA Headcount by Division/Unit	<u>Current Month</u>	<u>EOY Budget</u>	<u>Variance</u>
Office of Chief Executive Officer (CEO)	3	3	-
COS, Program Assessment & Development	7	10	3
COS, Special Projects	8	11	3
Program Operations, Program Operations Management	2	4	2
Program Operations, Capital Planning & Grants Admin.	22	22	-
Program Operations, Safety	10	11	1
Program Operations, Project Teams	91	110	19
Corp Governance & Operations, Management	3	3	-
Corporate Governance & Operations, Human Resources	11	11	-
Corporate Governance & Operations, Chief Counsel	12	11	(1)
Corporate Governance & Operations, MIS/Project Services	23	24	1
Corporate Governance & Operations, Facilities	5	6	1
Corporate Governance & Operations, Communications	12	17	5
Financial Operations, CFO Management	3	3	-
Financial Operations, Controller	12	13	1
Financial Operations, Contract Management	13	16	3
Financial Operations, Real Estate Services	8	9	1
Financial Operations, Procurement & Contract Services	9	14	5
Financial Operations, Risk Management & Vendor Services	12	12	-
Total Full-Time Employees	<u>266</u>	<u>310</u>	<u>44</u>
EOM Budget	<u>310</u>		



New Jersey Schools Development Authority
Statement of Net Assets and General Fund Balance Sheet
May 31, 2011

	<u>General Fund Total</u>	<u>Adjustments</u>	Statement of Net Assets	
			<u>Current Yr</u>	<u>Prior Yr End</u>
ASSETS				
Cash and Cash Equivalents	\$ 478,518,934		\$ 478,518,934	\$ 571,627,095
Receivables	165,699	\$ 558,297	723,996	724,780
Prepaid Expenses	601,404		601,404	881,075
Capital Assets (Net of Accumulated Depreciation of \$11,748,624)		<u>2,041,375</u>	<u>2,041,375</u>	<u>2,475,270</u>
Total Assets	<u>\$ 479,286,037</u>	<u>\$ 2,599,672</u>	<u>\$ 481,885,709</u>	<u>\$ 575,708,220</u>
LIABILITIES				
Accrued Project Costs	\$ 49,696,180	\$ 97,674,417	\$ 147,370,597	\$ 183,255,070
Accrued Other Post-Employment Benefits Obligation		9,119,267	9,119,267	7,665,153
Other Accrued Liabilities	768,002	931,353	1,699,355	2,439,875
Deposits	<u>11,885,567</u>		<u>11,885,567</u>	<u>12,644,238</u>
Total Liabilities	<u>62,349,749</u>	<u>107,725,037</u>	<u>170,074,786</u>	<u>206,004,336</u>
FUND BALANCE/NET ASSETS				
Invested in Capital Assets		2,041,375	2,041,375	2,475,270
Nonspendable:				
Prepaid Expenses	601,404	(601,404)		
Restricted:				
Schools Construction Build America Bond Program	334,809,871		334,809,871	345,002,960
Schools Construction Special Revenue Fund	<u>81,525,013</u>	<u>(106,565,336)</u>	<u>(25,040,323)</u>	<u>22,225,654</u>
Total Fund Balance/Net Assets (Deficit)	<u>416,936,288</u>	<u>(105,125,365)</u>	<u>311,810,923</u>	<u>369,703,884</u>
Total Liabilities and Fund Balance/Net Assets	<u>\$ 479,286,037</u>	<u>\$ 2,599,672</u>	<u>\$ 481,885,709</u>	<u>\$ 575,708,220</u>



New Jersey Schools Development Authority
Statement of Activities and General Fund Revenues, Expenditures and Changes in Fund Balances
May 31, 2011 Year-To-Date

	<u>General Fund Total</u>	<u>Adjustments</u>	Statement of Activities	
			<u>Current Yr</u>	<u>Prior Yr</u>
Revenues				
Program Revenues:				
Bond and Note Proceeds (Issued by EDA)	\$ -		\$ -	\$ 499,200,000
Bidding Fees-Plans & Specs	450		450	200
General Revenues:				
Investment Earnings	422,243		422,243	429,481
Rental Income	101,600		101,600	66,570
Other Revenue-OPRA	157		157	1,718
Total Revenues	<u>524,450</u>	<u>-</u>	<u>524,450</u>	<u>499,697,969</u>
Expenditures/Expenses				
Employee Salaries & Benefits	13,667,438	\$ 1,454,114	15,121,552	15,417,316
Administrative & General Expenses	2,119,778		2,119,778	3,707,743
Capital Expenditures			-	-
Capital Depreciation		433,895	433,895	622,341
School Facilities Project Costs	<u>40,742,185</u>	<u></u>	<u>40,742,185</u>	<u>86,387,720</u>
Total Expenditures/Expenses	<u>56,529,401</u>	<u>1,888,009</u>	<u>58,417,410</u>	<u>106,135,120</u>
Excess of Revenues Over Expenditures	(56,004,951)	(1,888,009)		
Change in Net Assets			(57,892,960)	393,562,849
Fund Balance/Net Assets (Deficit)				
Beginning of Year	<u>472,941,239</u>	<u>(103,237,356)</u>	<u>369,703,883</u>	<u>189,498,079</u>
End of Period	\$ <u>416,936,288</u>	\$ <u>(105,125,365)</u>	\$ <u>311,810,923</u>	\$ <u>583,060,928</u>



New Jersey Schools Development Authority
Summary of Cash Receipts & Disbursements
From Inception through May 31, 2011

Cash Receipts - State Share

Cash Disbursements - State Share

Year	Principal Amount ¹ Bond Proceeds	Appropriations ² from State	Investment Earnings	Miscellaneous ³ Revenue	Project Costs	Operating Expenses	Gross Capital ⁴ Expenditures	Deposits ⁵	Totals
2000	-	\$1,510,975	\$5,013	-	-	\$639,406	\$1,150	-	\$875,432
2001	\$508,600,000	47,125,988	18,862,686	\$10	\$18,967,828	6,705,756	1,735,148	-	547,179,952
2002	629,400,000	(43,500,000)	9,991,010	221,897	460,970,915	11,318,973	1,440,184	\$11,453,239	133,836,074
2003	607,929,000	-	5,488,373	305,596	1,096,480,983	19,983,448	7,609,761	13,612,751	(496,738,472)
2004	1,700,000,000	-	8,098,130	356,167	1,289,801,167	28,882,347	844,489	6,299,119	395,225,413
2005	2,075,000,000	-	17,472,686	638,597	1,332,923,106	27,460,855	194,394	53,393,712	785,926,640
2006	600,000,000	-	39,701,591	446,994	1,069,330,378	30,483,062	349,158	(9,559,780)	(469,573,793)
2007	800,000,000	-	28,304,347	541,065	890,787,821	35,055,800	572,252	(24,223,201)	(121,793,662)
2008	450,000,000	-	13,584,070	837,796	880,936,507	39,760,922	940,178	12,538,723	(444,677,018)
2009	775,000,000	-	2,197,675	260,902	613,756,613	43,258,213	243,801	(40,375,956)	79,823,994
2010	499,200,000	-	(2,749,864)	171,035	282,888,651	41,612,847	82,769	(10,494,369)	161,542,535
2011	-	-	422,243	102,207	76,824,554	16,049,386	-	(758,671)	(93,108,161)
Totals	8,645,129,000	5,136,963	141,377,960	3,882,266	8,013,668,523	301,211,015	14,013,284	11,885,567	
Cash & Cash Equivalents									\$478,518,934

¹ Pursuant to the provisions of the Educational Facilities Construction and Financing Act (C.18A:7G-14a), as amended, the aggregate principal amount of bonds, notes or other obligations the EDA may issue to finance school facilities projects, and the costs related thereto, shall not exceed \$12.5 billion. This limitation excludes indebtedness incurred for refunding purposes.

² Represents funds received prior to the first bond issuance by the EDA in 2001.

³ Consists of rental income and cash receipts for bidding fees and OPRA requests.

⁴ Consists of leasehold improvements (SDA offices), capitalized software, furniture, fixtures & equipment for SDA operations.

⁵ Consists of deposits held for Section 13(B) Local Share Agreements (\$11,744,798); bond proceeds received for the payment of bond refunding closing costs (\$11,130) and other deposits (\$129,639)



New Jersey Schools Development Authority
Interagency Agreements
May 31, 2011

<u>State of New Jersey Department / Agency</u>	<u>Service(s) Provided to SDA</u>	<u>Current Yr Payments</u>	<u>Payments from Inception through December 31, 2010</u>	<u>Total Payments</u>
<u>Included in Project Costs:</u>				
Department of Community Affairs	Provide code inspections, plan reviews and permits for schools.	\$ 317,810	\$ 18,775,878	\$ 19,093,688
Department of Labor and Workforce Development	Provide training in construction trades to women and minorities pursuant to the Educational Facilities Construction & Financing Act (EFCFA). Also, provide enforcement of prevailing wage requirements on SDA projects.	-	10,541,812	10,541,812
Office of the Attorney General - Division of NJ State Police (services formerly provided by the Bureau of Fiscal Oversight and, prior to that, the Office of Government Integrity)	Perform prequalifying review and investigative services related to vendor integrity as required by the EFCFA.	-	4,659,347	4,659,347
Department of Education	Perform educational adequacy reviews for Abbott district schools.	-	3,276,059	3,276,059
New Jersey Institute of Technology	High Performance Schools guideline development and program implementation costs.	-	4,116,295	4,116,295
Rutgers University	Perform studies on the potential cost savings that could be realized through the use of standardized design elements, components, and construction materials. Also, includes fees paid to NJ Small Business Development Centers.	-	297,063	297,063
Department of Environmental Protection	Provide expedited environmental remediation review and support services.	66,407	1,399,987	1,466,394
Department of Transportation (terminated)	Provide relocation assistance services.	-	355,875	355,875
Other	Miscellaneous	-	179,552	179,552
Payments Included in Project Costs		<u>384,217</u>	<u>43,601,868</u>	<u>43,986,085</u>

(Continued on Next Page)



New Jersey Schools Development Authority
Interagency Agreements
May 31, 2011

Interagency Agreements (Continued)

<u>State of New Jersey Department / Agency</u>	<u>Service(s) Provided to SDA</u>	<u>Current Yr Payments</u>	<u>Payments from Inception through December 31, 2010</u>	<u>Total Payments</u>
<u>Included in Administrative & General:</u>				
Office of the Attorney General - Division of Law (TRE009)	Provide legal services and contract reviews. Also, provide legal support for environmental cost recoveries.	33,627	9,335,068	9,368,695
Governor's Authorities Unit	Annual assessment (not all years)	-	109,388	109,388
Office of the Inspector General (TRE030)	Salaries & benefits for Assistant Inspector Generals assigned to SDA.	57,236	801,636	858,872
Rutgers University, Center for Organizational Development and Leadership (RUT009)	Assist SDA in the development of a mission statement, vision statement and statement of values.	-	8,300	8,300
Department of Community Affairs (terminated)	Salaries & benefits for DCA employee assigned to SDA.	-	349,471	349,471
Payments Included in Administrative & General		<u>90,863</u>	<u>10,603,863</u>	<u>10,694,726</u>
Total Interagency Payments		<u>\$ 475,080</u>	<u>\$ 54,205,731</u>	<u>\$ 54,680,811</u>

EMERGENT RESERVE BALANCE SUMMARY



STATE OF NEW JERSEY

SCHOOLS DEVELOPMENT AUTHORITY

MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Program Director

DATE: July 6, 2011

SUBJECT: Monthly Emergent Reserve Balance Summary
(For Informational Purposes Only)

The report shows the remaining balance in the \$97M reserve fund for emergent projects as of May 1, 2011. Both the current contractual obligations as well as total estimated project costs funded within the reserve are shown.

Noteworthy Items during the reporting period:

- **Additional Emergent Projects approved during the reporting period**
No additional Emergent Projects were approved during the reporting period.
- **Changes in Estimated Total Project Costs**
Estimated Total Project Costs have decreased \$151k
 - SDA Managed Projects
 - Estimated Total Project Costs have decreased \$18k due to reduced total estimated project costs for the Camden Sharp ES roof project.
 - District Delegated Projects
 - Estimated Total Project Costs have decreased \$133k due to receipt of favorable construction bids received by the District for the Neptune Township Green Grove ES project.
- **Changes in Contractual Obligations**
Contractual Obligations have increased \$467k
 - SDA Managed Projects
 - Current Contractual Obligations have increased \$467k due to:
 - Award of construction for the Camden Sharp ES roof project \$196k
 - Change orders executed on several projects 271k.
 - District Delegated Projects:
 - No change during the reporting period.



STATE OF NEW JERSEY

SCHOOLS DEVELOPMENT AUTHORITY**Monthly Emergent Reserve Balance Summary****As of 5/1/11**

Reserve Balance	\$	97,000,000
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Current Contractual Obligations

District Delegated Projects	84 Projects	\$	26,827,427
SDA Managed Emergent Projects	46 Projects	\$	18,257,548
SDA Managed Emergency Situations at Existing Projects	2 Projects	\$	445,103

Total Current Contractual Obligations	\$	45,530,078
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Reserve Balance Remaining Unobligated	\$	51,469,922
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Estimated Total Project Costs

District Delegated Projects	84 Projects	\$	41,379,802
SDA Managed Emergent Projects	46 Projects	\$	36,567,071
SDA Managed Emergency Situations at Existing Projects	2 Projects	\$	5,636,692

Total Estimated Total Project Costs	\$	83,583,565
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Reserve Balance Remaining for Additional Projects	\$	13,416,435
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NOTIFICATION OF GOODS AND SERVICES CONTRACTS REPORT




STATE OF NEW JERSEY
SCHOOLS DEVELOPMENT AUTHORITY

1 WEST STATE STREET
P.O. BOX 991
TRENTON, NJ 08625-0991
609-943-5955

MEMORANDUM

FOR INFORMATIONAL PURPOSES ONLY

TO: Members of the Audit Committee
Members of the Authority

FROM: John Barbato 
Director, Contract Accounting and Disbursements

DATE: June 09, 2011

SUBJECT: Notification of Amendments to Goods and Services
Contracts Not Exceeding \$100,000 or 10% of the Contract Value

In accordance with the SDA Operating Authority, goods and services contract amendments not exceeding \$100,000 or 10% of the Contract Value require both Audit Committee and Board notification. Accordingly, the attached monthly report provides a list of goods and services contract amendments to be executed upon proper notification in accordance with the SDA Operating Authority.

Attachment



Notification of Amendments to Goods and Services
Contracts Not Exceeding \$100,000 or 10% of the Contract Value
July 2011

VENDOR	CONTRACT #	ORIGINAL CONTRACT AMOUNT	AMENDMENT #	PRIOR CHANGES	CURRENT CHANGES	REVISED CONTRACT AMOUNT	Description
The Safeguard Group	GP-0146-R01	\$479,520.00	6	\$485,572.01	\$20,000.00	\$985,092.01	See attached internal memorandum

**MEMORANDUM**

TO: Karon Simmonds, Director, Risk Management & Vendor Services
Donald Guarriello, Vice President & Chief Financial Officer

CC: Stephanie Ryan, Insurance Specialist

FROM: Jeanell Newmuis-Haley, Insurance Analyst

DATE: June 7, 2011

SUBJECT: Sixth Amendment of GP-0146-R01, Real Estate Property & Casualty Insurance Program for Temporary Classroom Units and Site Acquisition December 14, 2009 to December 14, 2011

Previously, the Board had approved a one (1) year extension to renew the Real Estate insurance program at a total cost not to exceed \$475,000. This cost included a 5% allowance (\$21,573) to account for anticipated and, to a lesser degree, unanticipated additions and deletions to NJSDA's Real Estate Owned (REO) property throughout the policy term. Changes to our REO property for the first two quarterly reports of the policy term will result in a net credit, thus increasing the available allowance from \$21,573 to approximately \$25,000.

At the May 4, 2011 Board of Directors meeting, the members approved the exercise of a two-year lease extension option for the properties located at 30 & 40 Van Dyke Avenue, New Brunswick, which the New Brunswick School District has been occupying for some time as swing space schools. However, as discussed with the Board, the district is vacating the building known as 30 Van Dyke Avenue, at the end of the 2010-2011 school year, as those students will be returning to their regular school (Lincoln School) in September after the completion of emergent work this summer. Further, the Landlord is not amenable to removing 30 Van Dyke Avenue from the existing lease.

As a result, the NJSDA is now required to fund the cost of insurance for the vacant 30 Van Dyke Avenue building, as of August 1, 2011, at an estimated annual cost of \$53,131. The prorated cost for insuring the building for the remainder of the current policy term is approximately \$20,000. At the time the insurance renewal was executed, the NJSDA did not anticipate having to insure this vacant building.

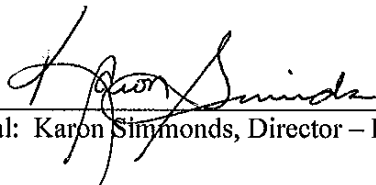
Other fluctuations, both anticipated and unanticipated, will continue to occur in our REO during the remainder of the policy term. Due to the uncertainty in the timing of properties being transferred, including newly completed and occupied schools, as well as the potential for new property additions during the remainder of the policy term, I am recommending that the remaining allowance of approximately \$25,000 continue to be held in reserve for inventory fluctuations.

Sixth Amendment of GP-0146-R01
Real Estate Property & Casualty Insurance Program
June 7, 2011
Page 2 of 2

Furthermore, I am also recommending that the allowance for the Real Estate insurance program be increased by an additional amount not to exceed \$20,000 in order to provide the necessary insurance for the vacant 30 Van Dyke Avenue property for the remainder of the policy term (December 31, 2011). The NJSDA will continue to have to insure this property through at least the end of the 1st extension of the lease term, which expires on September 5, 2013, unless the NJSDA is able to find a tenant to sublet this space.

Pursuant to the NJSDA Operating Authority adopted by the Board on December 1, 2010, Audit Committee and Board notification is required for any amendment of a goods and/or services contract which singularly does not exceed the lesser of \$100,000 or 10% of the contract value. Accordingly, the NJSDA will not execute the proposed amendment to increase the allowance for the Real Estate insurance program until after notification is delivered to the members of the Audit Committee and Board.


Jeanell Newmuis-Haley, Insurance Analyst


Approval: Karon Simmonds, Director – Risk Management & Vendor Services 6/8/11
Date


Approval: Donald Guarriello, Vice President & Chief Financial Officer 6/8/11
Date

COMMUNICATIONS PROGRESS REPORT



STATE OF NEW JERSEY

SCHOOLS DEVELOPMENT AUTHORITY

 1 WEST STATE STREET
 P.O. BOX 991
 TRENTON, NJ 08625-0991
 609-943-5955

MEMORANDUM

TO: Members of the Authority

FROM: Edye Maier, Communications Department

DATE: July 6, 2011

SUBJECT: New Jersey Schools Development Authority
Monthly Communications Report

Galloway Reeds Road Elementary School Ribbon Cutting

On June 9, 2011, CEO Marc Larkins and Chief of Staff Jason Ballard joined district officials for the ribbon cutting of the new Reeds Road Elementary School gymnasium. This is a ROD Grant project with a total estimated cost of \$2,291,830 including a state share of \$807,059. In June 2010, Marc Larkins visited the construction site of this project to highlight the relaunch of the ROD grant program by the Christie Administration.

Authority Distributes ROD Grant Press Releases

The SDA has continued executing state grants across New Jersey through its Regular Operating District (ROD) grant program, furthering the Governor's commitment to providing the state's children with modern and efficient schools.

The chart below lists districts for which ROD grant press releases were distributed during June:

County Name	District Name	State Share
Cumberland	Cumberland County Vocational	\$2,071,663
Essex	Montclair	\$272,161
Gloucester	Clearview Regional	\$399,822
Middlesex	South River	\$7,186,565
Monmouth	Tinton Falls	\$4,098,800
Monmouth	West Long Branch	\$192,334
Passaic	Wayne Township	\$314,192

REGULAR OPERATING DISTRICT GRANT ACTIVITY REPORT



MEMORANDUM

TO: Members of the Authority

FROM: Gregory Voronov
Program Director

DATE: July 6, 2011

SUBJECT: Regular Operating District Grant Activity Report
(For Informational Purposes Only)

This report summarizes the Regular Operating District Grant activity from inception to date and for the month of May 2011. Also included is a detailed list of grants executed and grants offered during the reporting period.

Monthly Update:

- 6 new grants impacting 1 district were offered during the reporting period representing total estimated project costs of \$296k and estimated state share of \$118k.
- 44 grants impacting 18 districts were executed during the reporting period representing total estimated project costs of \$39.4M and estimated state share of \$18.3M.
- 26 grants impacting 16 districts were closed out during the reporting period representing \$70.3M in total project costs and state share of \$18.4M.
- Since inception, over \$2.1B has been disbursed to 501 regular operating districts through the grant program.
- Since inception \$2.9B in funding has been approved by the Department of Education and offered to regular operating districts through the grant program.



STATE OF NEW JERSEY

SCHOOLS DEVELOPMENT AUTHORITY

Monthly Regular Operating District Grant Report - Summary

As of 5/31/2011

ROD Grant Summary Since Program Inception				
	Offered ¹	Executed	Closed-Out	Active
Districts Impacted	196	501	440	302
Number of Grant Projects	795	3,657	2,381	1,276
Total Project Cost Estimate	\$ 943,102,110	\$ 7,874,981,431	\$ 5,237,686,212	\$ 2,637,295,218
Grant Amount	\$ 337,517,835	\$ 2,543,204,394	\$ 1,664,757,444	\$ 878,446,950
Amount Disbursed	N/A	\$ 2,133,101,483	\$ 1,664,757,444	\$ 468,344,039

Total Funding Offered to School Districts via Grant Program	\$ 2,880,722,229
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Total ROD Grant Funding remaining for new Grant Projects	\$ 319,940,846
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1. Includes grants that have been offered to District's but have not yet been executed.

ROD Grant Summary - May 2011		
	Executed	Closed-Out
Districts Impacted	18	16
Number of Grant Projects	44	26
Total Project Cost Estimate	\$ 39,411,755	\$ 70,305,077
Grant Amount	\$ 18,341,616	\$ 18,418,577
Amount Disbursed	\$ -	\$ 18,418,577

* Report is inclusive of all Regular Operating Districts grants (including vocational school districts)

** Total Project Cost Estimate and Grant Amount may be adjusted as the projects advance. Grant Amount is capped at the value approved in the DOE Final Eligible Cost Approval.

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)



Monthly Regular Operating District Grant Report - Monthly Executed Grant Detail

May 2011

County	District	School Name	Total Project Cost Estimate	Grant Amount	Project Description
Bergen	Closter	Hillside E.S.	\$ 442,000	\$ 176,800	Partial re-roofing
Bergen	Closter	Tenakill M.S.	\$ 297,000	\$ 118,800	Partial re-roofing
Bergen	Ho-ho-kus	Ho-Ho-Kus E.S.	\$ 356,962	\$ 142,785	Partial re-roofing, folding partition and lighting replacement in gym
Bergen	Teaneck	Teaneck H.S.	\$ 1,266,302	\$ 506,521	Partial roof replacement
Cumberland	Cumberland County Vocational School District	Cumberland Co. Tech. Ed. Center	\$ 2,938,112	\$ 2,071,663	New roof over "A" Wing , new roof top HVAC units serving "A" Wing and replacement of exterior doors
Essex	Montclair	Montclair High School	\$ 607,107	\$ 242,843	Theatre renovations
Essex	Montclair	Edgemont Elementary School	\$ 42,350	\$ 16,940	Replace corridor lockers
Essex	Montclair	Edgemont Elementary School	\$ 30,945	\$ 12,378	Convert unused toilet to Library/Media Center storage
Gloucester	Clearview Regional	Clearview Regional H.S.	\$ 543,680	\$ 264,953	New air handling equipment, HVAC in 17 classrooms, to include piping.
Gloucester	Clearview Regional	Clearview Regional H.S.	\$ 276,750	\$ 134,869	Convert existing room 227 to new multi-use science lab
Hunterdon	Tewksbury Township	Old Turnpike M.S.	\$ 343,267	\$ 137,307	Window replacement in 1968 & 1974 wings
Middlesex	South River	South River H.S.	\$ 4,893,543	\$ 2,477,929	Air conditioning upgrades
Middlesex	South River	South River H.S.	\$ 1,945,245	\$ 985,008	Window and ext door replacement
Middlesex	South River	South River H.S.	\$ 1,757,127	\$ 889,751	Music room and auditorium upgrades, including new seating, stage rigging, acoustic treatment, sound system, instrument storage and finishes.
Middlesex	South River	South River H.S.	\$ 1,742,392	\$ 882,290	Renovate existing science labs (4 total) and work/prep rooms (2 total) - new casework, lab tables, additional storage and finishes.
Middlesex	South River	South River H.S.	\$ 822,985	\$ 416,732	Locker room upgrades - renovate existing boys' & girls' locker rooms - new plumbing fixtures, lockers and benches, lighting and finishes
Middlesex	South River	South River H.S.	\$ 617,873	\$ 312,870	Toilet room upgrades
Middlesex	South River	South River H.S.	\$ 568,258	\$ 287,747	Library alteration.
Middlesex	South River	South River H.S.	\$ 550,977	\$ 278,997	Gym upgrades - remove & replace bleachers, wood flooring, basketball backstops and equipment
Middlesex	South River	South River H.S.	\$ 327,800	\$ 165,987	Electrical system upgrades
Middlesex	South River	South River H.S.	\$ 240,127	\$ 121,592	Gym roof replacement
Middlesex	South River	New So. River Primary School	\$ 208,068	\$ 105,359	Sidewalk repairs - sidewalk and curb improvements through the athletic field site and along Johnson Pl to become barrier-free compliant.
Middlesex	South River	South River H.S.	\$ 168,826	\$ 85,488	Security system upgrades

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)



Monthly Regular Operating District Grant Report - Monthly Executed Grant Detail

May 2011

County	District	School Name	Total Project Cost Estimate	Grant Amount	Project Description
Middlesex	South River	South River H.S.	\$ 153,800	\$ 77,879	Technology infrastructure upgrades
Middlesex	South River	South River H.S.	\$ 79,187	\$ 40,098	Reconfigure existing World Language Office and Toilet Room to Special Needs Science Lab
Middlesex	South River	South River H.S.	\$ 75,401	\$ 38,181	Install new lighting fixtures w/occupancy sensors in existing gym, auditorium, and locker/training rooms
Middlesex	South River	South River H.S.	\$ 40,794	\$ 20,657	Fire stair upgrades
Monmouth	Tinton Falls	Mahala F. Atchinson E.S.	\$ 4,008,000	\$ 1,603,200	Capital upgrades include toilet renovation for barrier free access, ceiling and lighting upgrade, roof replacement, exterior soffit replacement, door replacement and other miscellaneous capital improvements.
Monmouth	Tinton Falls	Swimming River E.S.	\$ 3,516,800	\$ 1,406,720	Capital upgrades include toilet renovation for barrier free access, roof replacement, door replacement, road repaving and other miscellaneous capital improvements.
Monmouth	Tinton Falls	Tinton Falls M.S.	\$ 1,820,000	\$ 728,000	Perform capital upgrades including toilet room renovations for barrier free access, ceiling and lighting upgrades, roof replacement, HVAC, Building entrances, electrical and other misc capital improvements
Monmouth	Tinton Falls	Swimming River E.S.	\$ 902,200	\$ 360,880	Removing damaged access road and reconstructing road along with curbs, pavement, sidewalk to make handicap accessible.
Monmouth	Upper Freehold Regional	Allentown H.S.	\$ 168,662	\$ 67,465	Cardio/Weight Room Renovations
Monmouth	West Long Branch	Betty McElmon E.S.	\$ 480,834	\$ 192,334	Attic insulation replacement
Morris	Mountain Lakes	Mountain Lakes High School	\$ 724,864	\$289,946.00	Phase A partial roof replacement
Morris	Netcong	Netcong E.S.	\$ 1,505,032	\$ 644,157	Remove & replace existing unit ventilators, remove & replace lead based paint impacted wall surface (ceramic tile), upgrade toilet rooms for barrier free access, replace existing fire doors & hardware, replace existing boiler pumps & valves, remove & replace vinyl asbestos floor tile with vinyl composition floor tile at ground floor, entrance corridor, install chemical water treatment system, replace existing roof top exhaust fans and replace all existing gravity ventilators with roof top exhaust fans, remove & replace the HVAC unit serving the nurse's office.
Morris	Netcong	Netcong E.S.	\$ 1,120,004	\$ 479,364	Remove & replace existing light fixtures & suspended ceiling system, remove & replace all corridor lockers, remove & replace lockers. Benches, floor tile, wall tile, doors & frames in the existing boys & girls locker rooms.



STATE OF NEW JERSEY

SCHOOLS DEVELOPMENT AUTHORITY

Monthly Regular Operating District Grant Report - Monthly Executed Grant Detail

May 2011

County	District	School Name	Total Project Cost Estimate	Grant Amount	Project Description
Morris	Netcong	Netcong E.S.	\$ 918,966	\$ 393,319	Remove & replace existing roofing except the standing seam metal roofing.
Passaic	Wayne Township	Wayne Valley High School	\$ 785,480	\$ 314,192	Partial roof replacement.
Sussex	Andover Regional	Florence M. Burd Elementary School	\$ 30,209	\$ 12,084	New gym lighting.
Sussex	Andover Regional	Long Pond Middle School	\$ 27,500	\$ 11,000	New gym lighting.
Sussex	Stanhope Borough	Valley Road E.S.	\$ 199,003	\$ 79,601	Replace 14 windows in 1965 building courtyard. Paint existing lintels. Each window is to receive a solid polymer sill.
Union	Springfield Township - Union	Edward V. Walton E.S.	\$ 807,534	\$ 323,014	Window replacement
Union	Springfield Township - Union	Thelma L. Sandmeier E.S.	\$ 763,989	\$ 305,596	Window replacement
Union	Springfield Township - Union	James Caldwell E.S.	\$ 295,800	\$ 118,320	Roof replacement
Grand Total		Grants Executed - 44	\$ 39,411,755	\$ 18,341,616	

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY - Monthly Reports (For Informational Purposes)



STATE OF NEW JERSEY

SCHOOLS DEVELOPMENT AUTHORITY

Monthly Regular Operating District Grant Report - Monthly Offered Grant Detail

May 2011

County	District	School Name	Total Project Cost Estimate	Grant Amount	Project Description
Ocean	Brick Township	Brick Township Memorial H.S.	\$ 90,666	\$ 36,266	Replace gym lighting
Ocean	Brick Township	Brick Township H.S.	\$ 76,938	\$ 30,775	Replace gym lighting
Ocean	Brick Township	Lake Riviera M.S.	\$ 47,670	\$ 19,068	Replace gym lighting
Ocean	Brick Township	Veteran's Memorial M.S.	\$ 47,670	\$ 19,068	Replace gym lighting
Ocean	Brick Township	Emma Havens Young E.S.	\$ 16,532	\$ 6,613	Add new vestibule & viewing window at main entrance
Ocean	Brick Township	Drum Point Road E.S.	\$ 16,150	\$ 6,460	Replace gym lighting
Grand Total		Grants Offered - 6	\$ 295,626	\$ 118,250	

PROJECT CLOSE OUT ACTIVITY



STATE OF NEW JERSEY

SCHOOLS DEVELOPMENT AUTHORITY

1 WEST STATE STREET
P.O. BOX 991
TRENTON, NJ 08625-0991
609-943-5955

To: Members of the Authority

From: Jason E. Ballard, Chief of Staff

Date: June 20, 2011

Subject: Project Close Out Status Report

The attached report provides a listing of all projects managed by the SDA, all of which have achieved school occupancy. The listing is further defined by year of occupancy and details those projects that are fully closed out and those which achieved building and/or land transfer to the district.

Since the May report, the SDA has transferred 1 project to a school district (Neptune Auxiliary Gym). This report has been updated to reflect the transfer. Additionally, this report has been revised to include comment on outstanding issues to be resolved to achieve complete close out. The most common outstanding issues are open contracts or projects awaiting No Further Action (NFA) letters. Special Projects is partnering with Program Operations teams to review and resolve the outstanding items. The results of those efforts will be featured in reports moving forward.

Attachment

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
SPECIAL PROJECT DIVISION
PROJECT STATUS REPORT - As of June 9, 2011**

Year of Occupancy	District	School	Disposition	Land & School Transferred Date	Date Full Project Close Out	Outstanding Issues remaining for complete close out
Legacy	Orange	New Main St. ES	Closed		6/22/2009	
Legacy	Elizabeth	Albert Einstein #29	Closed		9/16/2009	
Legacy	Elizabeth	#44 aka #51	Closed		9/16/2009	
Legacy	Jersey City	ECC #9 - School Site only	Closed		5/24/10	
Legacy	Jersey City	ECC #9 - Parking lot only	Closed		5/24/10	
Legacy	Vineland	Petway - ES #1	Closed		3/12/2009	
Legacy	Vineland	MS #1 Thomas Wallace	Closed		3/12/2009	
Legacy	Asbury Park	Bradley Primary	Closed		4/29/2009	
Legacy	Neptune	Gables ES	Closed		4/30/2009	
Legacy	Neptune	Neptune MS	Closed		4/30/2009	
Legacy	Neptune	Summerfield ES	Closed		4/30/2009	
Legacy	Trenton	Mott ES	Closed		5/7/2009	
Legacy	Trenton	P. J. Hill ES	Closed		5/7/2009	
Legacy	Bridgeton	Buckshutem Road ES	Closed		5/12/2009	
Legacy	Vineland	Johnstone ES	Closed		5/20/2009	
Legacy	Buena	Cleary MS	Closed		6/2/2009	
Legacy	Woodlynne	Woodlynne ES	Closed		6/10/2009	
Legacy	Neptune	Neptune ECC	Closed		10/31/2006	
Legacy	Millville	Millville ECC	Closed		6/19/2009	
Legacy	Trenton	Gregory ES	Closed		6/30/2009	
Legacy	Millville	Lakeside MS	Closed		7/8/2009	
Legacy	Neptune	Shark River Hills ES	Closed		7/13/2009	
Legacy	Long Branch	New MS - Building	Closed		7/25/2009	
Legacy	Long Branch	New Anastasia ES	Closed		10/23/2009	
Legacy	Burlington City	Burlington City - Samuel Smith ES	Closed		11/24/2009	
Legacy	Neptune	Neptune Township - Green Grove ES	Closed		11/27/2009	
Legacy	Garfield	Garfield ECC	Land and/or School Transferred	4/23/2009		Contracts @ \$0 Awaiting NFA
Legacy	Paterson	Panther Academy	Land and/or School Transferred	6/5/2009		Contracts @ \$0 Awaiting As Built drawings

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
SPECIAL PROJECT DIVISION
PROJECT STATUS REPORT - As of June 9, 2011

Year of Occupancy	District	School	Disposition	Land & School Transferred Date	Date Full Project Close Out	Outstanding Issues remaining for complete close out
Legacy	East Orange	New - Langston Hughes Replacement	Land and/or School Transferred	8/3/2009		Open contract(s)
Legacy	Phillipsburg	ECC	Land and/or School Transferred	8/18/2009		Contracts @ \$0 Awaiting NFA - District action required
Legacy	Elizabeth	Dr. MLK Jr Center for ECC School # 52 aka ECC # 45	Land and/or School Transferred	9/16/2009		Contracts @ \$0 Awaiting NFA - District action required
Legacy	Plainfield	Clinton ES - Site only	Land and/or School Transferred	5/6/10		Open contract(s)
Legacy	Perth Amboy	ECC I - Ignacio Cruz	Land and/or School Transferred	6/17/10		Open contract(s)
Legacy	Trenton	Columbus ES	Land and/or School Transferred	4/3/2009		Open contract(s)
Legacy	Neptune	HS Swing Space	Land and/or School Transferred	4/17/2009		will close with Aux Gym project
Legacy	Gloucester City	Cold Springs ES	Land and/or School Transferred	6/5/2009		Open contract(s)
Legacy	Manchester	Manchester - Manchester Township MS	Land and/or School Transferred	7/16/2009		Open contract(s)
Legacy	Manchester	Whiting ES	Land and/or School Transferred	7/16/2009		Open contract(s)
Legacy	Fairfield	New ES	Land and/or School Transferred	9/23/2009		Open contract(s)
Legacy	Barnegat	Barnegat HS	Land and/or School Transferred	10/13/2009		Open contract(s)
Legacy	Trenton	Joyce Kilmer	Land and/or School Transferred	11/10/2009		Contracts @ \$0 Issue with Deed
Legacy	East Orange	East Orange HS				
Legacy	East Orange	Wahlstrom ECC				
Legacy	Elizabeth	#31 Monsignor Joan Antao School				
Legacy	Elizabeth	#30 Ronald Reagan Academy				

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
SPECIAL PROJECT DIVISION
PROJECT STATUS REPORT - As of June 9, 2011**

Year of Occupancy	District	School	Disposition	Land & School Transferred Date	Date Full Project Close Out	Outstanding Issues remaining for complete close out
Legacy	Gloucester City	JR SR HS				
Legacy	Jersey City	Freshman Academy - Lincoln HS				
Legacy	Jersey City	New ES #3 (Frank R. Conwell ES #3)				
Legacy	Jersey City	Jersey City MS # 4 (Frank R. Conwell MS # 4)				
Legacy	Manchester	Manchester Township HS				
Legacy	Newark	Science Park				
Legacy	Passaic	# 7, Grant, ES				
Legacy	Paterson	Roberto Clemente, ES				
Legacy	Perth Amboy	#10 ES - Dr. N. H. Ritchardson School				
Legacy	Plainfield	Hubbard MS				
Legacy	Union City	Jose Marti MS Jose Marti MS Athletic Field				
Legacy	West New York	West New York MS				
Total Legacy Projects			56			
Legacy Closed Out			25			
Legacy Not Closed Out			31			
Legacy Not Closed Out, Land & School Transferred			15			
2007	Irvington	Augusta ES	Closed		3/13/2009	
2007	Irvington	Irvington - New Mt. Vernon, ES	Closed		3/13/2009	
2007	Irvington	University Six School	Closed		3/13/2009	
2007	Vineland	Vets Memorial	Closed		3/13/2009	
2007	Trenton	Parker ES	Closed		3/13/2009	
2007	Garfield	Garfield MS	Land and/or School Transferred	6/25/2009		Open contract(s)
2007	Clark	Frank Hehnly ES	Land and/or School Transferred	6/3/10		Open contract(s)
2007	Clark	Carl Kumpf MS	Land and/or School Transferred	6/3/10		Open contract(s)

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
SPECIAL PROJECT DIVISION
PROJECT STATUS REPORT - As of June 9, 2011**

Year of Occupancy	District	School	Disposition	Land & School Transferred Date	Date Full Project Close Out	Outstanding Issues remaining for complete close out
2007	Clark	Arthur Johnson HS	Land and/or School Transferred	6/3/10		Open contract(s)
2007	Clark	Valley Road ES	Land and/or School Transferred	6/3/10		Open contract(s)
2007	Barnegat	Brackman MS	Land and/or School Transferred	9/23/2009		Open contract(s)
2007	Egg Harbor	Slaybaugh ES				
2007	Egg Harbor	Davenport ES				
2007	Harrison	New Harrison HS				
2007	Hoboken	Calabro ES # 4				
2007	Jersey City	Heights MS # 7				
2007	Long Branch	Gregory ES				
2007	Newark	1st Avenue ES				
2007	New Brunswick	McKinley K Center #3				
2007	Union City	ECC @ JFK - Phase I (School only)				
2007	Union City	ECC @ JFK - Phase II (Schlemm) Parking/Playgrounds				
2007	West New York	#4				
2007	Burlington City	New HS*				
2007	Burlington City	Wilbur Watt Intermediate School & Stadium Maintenance Bldg. (MB)				
Total 2007 Projects			24			
2007 Closed Out			5			
2007 Not Closed Out			19			
	2007 Not Closed Out, Land & School Transferred		6			
2008	Elizabeth	Pre K-8 #27 Dr. Antonia Pontoja School	Closed		10/29/2009	
2008	Asbury Park	T. Marshall Primary	Closed		4/29/2009	

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
SPECIAL PROJECT DIVISION
PROJECT STATUS REPORT - As of June 9, 2011

Year of Occupancy	District	School	Disposition	Land & School Transferred Date	Date Full Project Close Out	Outstanding Issues remaining for complete close out
2008	Egg Harbor	Oakcrest Regional, HS (Auditorium upgrade)	Land and/or School Transferred	6/2/2009		All contracts at \$0, documentation in final review
2008	Barnegat	HS Addition	Land and/or School Transferred	10/13/2009		Open contract(s)
2008	Barnegat	New Donahue, ES (aka Ronald Reagan)	Land and/or School Transferred	10/13/2009		Open contract(s)
2008	Neptune	Midtown Community ES & Parking*	Land and/or School Transferred	2/3/2010		Open contract(s)
2008	Barnegat	Barnegat - Collins, ES	Land and/or School Transferred	7/12/10		Open contract(s)
2008	East Orange	Campus #9 CJ Scott HS				
2008	East Orange	Mildred Barry Garvin*				
2008	Jersey City	ES # 34				
2008	Long Branch	Long Branch - Athletic Fields & High School				
2008	Newark	Central HS				
2008	Paterson	International HS*				
2008	Paterson	#24 ES*				
2008	Plainfield	Emerson ES School Site only				
Total 2008 Projects			15			
2008 Closed Out			2			
2008 Not Closed Out			13			
	2008 Not Closed Out, Land & School Transferred		5			

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
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PROJECT STATUS REPORT - As of June 9, 2011

Year of Occupancy	District	School	Disposition	Land & School Transferred Date	Date Full Project Close Out	Outstanding Issues remaining for complete close out
2009	Newark	Park ES (aka North Ward Park ES)*	Land and/or School Transferred	2/24/2010		Awaiting NFA
2009	Camden	Camden ECDC*	Land and/or School Transferred	11/4/2009		Open contract(s)
2009	Egg Harbor	Spragg ES	Land and/or School Transferred	11/17/2009		All contracts at \$0, documentation in final review
2009	Camden	HB Wilson ES*	Land and/or School Transferred	4/14/2010		Open contract(s) Deed still to be transferred
2009	Bridgeton	Bridgeton HS Media Center	Land and/or School Transferred	4/21/10		All contracts at \$0, documentation in final review
2009	Cumberland	Cumberland Regional HS	Land and/or School Transferred	6/25/10		Open contract(s)
2009	Barnegat	Barnegat - Dunfee, ES	Land and/or School Transferred	7/12/10		Open contract(s)
2009	Barnegat	Barnegat - Horbelt, ES	Land and/or School Transferred	7/12/10		Open contract(s)
2009	Elizabeth	Elizabeth New PreK-8 #28	Land and/or School Transferred	8/26/10		Open contract(s)
2009	Camden	Dudley ES*				
2009	Orange	Park Ave ES				
2009	Perth Amboy	ECC #2 - Edmund Hmielseki ECC*				
2009	Plainfield	Clinton ES - Parking/Playground only				
2009	Plainfield	Emerson ES - Parking/Playground only				
2009	West New York	ES #2*				
Total 2009 Projects			15			
2009 Closed Out			0			
2009 Not Closed Out			15			
	2009 Not Closed Out, Land & School Transferred		9			

**NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
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Year of Occupancy	District	School	Disposition	Land & School Transferred Date	Date Full Project Close Out	Outstanding Issues remaining for complete close out
2010	Buena	Buena MS				
2010	Egg Harbor City	New MS*				
2010	Egg Harbor Twp	Egg Harbor Twp HS - Phase 1 (add/reno)				
2010	Egg Harbor Twp	Egg Harbor Twp HS - Phase 2 (add/reno)				
2010	Greater Egg Harbor	Greater Egg Harbor HS				
2010	East Orange	New ES #5				
2010	Newark	Speedway ES*				
2010	Neptune	Neptune HS Aux. Gym	Land and/or School Transferred	6/7/2011		Open contract(s)
2010	Orange	Lincoln Ave ES*				
2010	Passaic	Daniel F Ryan #19 ES aka New ES Main Ave*				
2010	Paterson	Roberto Clemente ES K-1 Center (Madison Avenue K Center) parking Lot				
2010	Trenton	MLK-Jefferson*				
Total 2010 Projects			11			
2010 Closed Out			0			
2010 Not Closed Out			11			
2010 Not Closed Out, Land & School Transferred			1			

Total Projects			121			
All Closed Out Projects			32			
All Projects Not Closed			89			
All Projects Not Closed, Land & School Transferred			36			

NEW JERSEY SCHOOLS DEVELOPMENT AUTHORITY
SPECIAL PROJECT DIVISION
PROJECT STATUS REPORT - As of June 9, 2011

Year of Occupancy	District	School	Disposition	Land & School Transferred Date	Date Full Project Close Out	Outstanding Issues remaining for complete close out

Health and Safety Projects						
# of Contracts Closed			351			
# of Contracts Open			48			
Total Contracts			399			



STATE OF NEW JERSEY

SCHOOLS DEVELOPMENT AUTHORITY

1 WEST STATE STREET
P.O. BOX 991
TRENTON, NJ 08625-0991
609-943-5955

To: Members of the Authority

From: /s/ Jason E. Ballard, Chief of Staff

Date: June 20, 2011

Subject: Demonstration Projects - Close Out Status

The NJSDA has six (6) Demonstration Projects (designated in 2005), all of which are in varying phases of project close out. The six (6) projects are:

- Camden - Octavius V. Catto Community School
- East Orange - Cicely Tyson School of Performing Arts & Fine Arts
- New Brunswick - New Brunswick High School
- Trenton - Daylight/Twilight Alternative School
- Union City - Union City High School
- Vineland - Vineland Community School

These projects are not included in the Close Out Report currently submitted to the Board due to the unique nature of their project delivery. Each Demonstration Project is funded via grant agreements between the NJSDA, the District and the Redevelopment Entity. There are two grant agreements for each project, one for pre-development activities prior to land acquisition and one for land acquisition and construction of the project. The primary role of the NJSDA is to administer funding and provide oversight for these projects, somewhat similar to that of the Emergent Project Grant program.

Program Operations is working in conjunction with the Special Projects Division to advance the close-out of these projects. All six (6) projects have certificates of occupancy and are in use. At the current time, Program Operations teams are meeting with the Redevelopers for each project to resolve open issues and invoices. In addition, Special Projects is ensuring that critical project documents have been delivered to the school districts as per the Grant Agreements. Lastly, the Executive Team is finalizing the format to report monthly to the Board for the close out of these Projects. The report will be included in all future Board packets.